

Questioning Assimilation/Emphasis on Ethnicity

U.S. as Melting Pot: What if Nothing Melts?

By William Branigan
Washington Post Service

OMAHA, Nebraska — Night is falling on South Omaha, and Maria Jacinto is patting tortillas for the evening meal in the kitchen of the small house she shares with her husband and five children. Like many others in her neighborhood, where most of the residents are Mexican immigrants, the Jacinto household mixes the old country with the new.

As Mrs. Jacinto, who speaks only Spanish, stresses a need to maintain the family's Mexican heritage, her eldest son, a bilingual 11-year-old who wears a San Francisco 49ers jacket and has a paper route, comes in and joins his brothers and sisters in the living room to watch the television cartoon series "The Simpsons."

Mrs. Jacinto became a U.S. citizen last April, but she does not feel like an American. In fact, she seems resistant to the idea of assimilating into U.S. society.

"I think I'm still a Mexican," she says. "When my skin turns white and my hair turns blond, then I'll be an American."

In many ways, the experiences of the Jacinto family are typical of the gradual process of assimilation that has pulled generations of immigrants into the American mainstream. That process is nothing new to Omaha, which drew waves of Czech, German and Irish immigrants early this century.

But in the current immigration wave, something markedly different is happening here in the middle of the great American "melting pot."

Not only are the demographics of the United States changing in profound and singular ways, but so are the very notions of assimilation and the melting pot that have been articles of faith in the American self-image for generations.

E Pluribus Unum (From Many, One) is still the national motto, but there no longer seems to be a consensus about what that should mean.

There is a sense that, especially as immigrant populations reach a critical mass in many communities, it is no longer the melting pot that is transforming them, but they who are transforming American society.

American culture remains a powerful force that influences people both here and around the world in countless ways. But several factors have combined in recent years to allow immigrants to resist, if they choose, the Americanization that had once been considered irresistible.

In fact, the very concept of assimilation is being called into question as never before. Some sociologists argue that the melting pot often means little more than "Anglo conformity" and that assimilation is not always a positive experience. And with today's emphasis on diversity and ethnicity, it has become easier than ever for immigrants to avoid the melting pot entirely.

Even the metaphor itself is changing, having fallen out of fashion completely with many immigration advocacy and ethnic groups. They prefer such terms as the "salad bowl" and the "mosaic," metaphors that convey more of a sense of separateness in describing this nation of immigrants.

"It's difficult to adapt to the culture here," said Maria Jacinto, 32, who moved to the United States 10 years ago with her husband, Aristeo Jacinto, 36.



"I think I'm still a Mexican," says Maria Jacinto, a U.S. citizen who lives in Nebraska, with her husband, Aristeo, and their five children.

"In the Hispanic tradition, the family comes first, not money. It's important for our children not to be influenced too much by the *gueros*," she said, using a term that means "blondies" but that she employs generally in reference to Americans. "I don't want my children to be influenced by immoral things."

Over the blare of the television in the next room, she asked, "Not all families here are like the Simpsons, are they?" The reference was to the cartoon series that one critic described as "a satire of the American nuclear family in meltdown."

Among socially conservative families such as the Jacintos, who initially moved to California from their village in Mexico's Guanajuato state, then migrated here in 1988 to find jobs in the meatpacking industry, bad influences are a constant concern. They see their children assimilating, but often to

the worst aspects of American culture. Mrs. Jacinto's concerns reflect some of the complexities and ambivalence that mark the assimilation process these days. Immigrants such as the Jacintos are here to stay but remain wary of their adoptive country.

According to sociologists, they are right to be concerned. "If assimilation is a learning process, it involves learning good things and bad things," said Ruben Rumbaut, a sociology professor at Michigan State University. "It doesn't always lead to something better."

The ambivalence of assimilation can cut both ways. Many native-born Americans also seem to harbor mixed feelings about the process. As a nation, the United States increasingly promotes diversity, but there are underlying concerns that the more emphasis there is on the factors that set people apart, the more likely that society will end up divided.

With Hispanics, especially Mexicans, accounting for an increasing proportion of U.S. population growth, it is this group, more than any other, that is redefining the melting pot.

Hispanics now have overtaken blacks as the largest minority group in Nebraska and will become the biggest minority in the country within the next seven years, according to Census Bureau projections.

THE NATION'S 29 million Hispanics, the great majority of them from Mexico, have thus become the main focus for questions about how the United States today is assimilating immigrants, or how it is being transformed.

In many places, new Hispanic immigrants have tended to cluster in "niche" occupations, live in segregated neighborhoods and worship in separate churches. In this behavior they are much like previous groups of immigrants. But their heavy concentrations in certain parts of the country, their relatively close proximity to their native lands and their sheer numbers give this wave of immigrants an unprecedented potential to change the way the melting pot traditionally has worked.

Never before have so many immigrants come from a single country — Mexico — or from a single linguistic source — Spanish-speaking Latin America. Since 1970, more than half of the estimated 20 million foreign-born people who have settled in the United States, legally and illegally, have been Spanish speakers.

Besides sheer numbers, several factors combine to make this influx unprecedented in the history of American immigration. This is the first time that such large numbers of people are immigrating from a contiguous country. And since most have flowed into relatively few states, congregating heavily in the American Southwest, Mexican Americans have the capacity to develop much greater cohesion than previous immigrant groups.

Today, Hispanics — mostly of Mexican origin — make up 31 percent of the population of California and 28 percent of the population of Texas.

In effect, that allows Mexican Americans to "perpetuate themselves as a separate community and even strengthen their sense of separateness if they choose to, or felt compelled to," said David Kennedy, a professor of American history at Stanford University.

Congressmen in Israel: A U.S. Maxim Violated

By Lee Hockstader
Washington Post Service

JERUSALEM — A high-powered U.S. congressional delegation that is visiting Israel this week is giving the lie to the maxim that when it comes to American foreign policy, political debates end at the shoreline.

The bipartisan eight-member delegation, led by the House speaker, Newt Gingrich, Republican of Georgia, and the Democratic minority leader, Representative Richard Gephardt of Missouri, started its visit in Jerusalem assuring everyone concerned that when it comes to making peace in the Middle East, Congress is on Israel's side, come what may.

That message is at odds with the Clinton administration's strategy in recent weeks to intensify pressure on Prime Minister Benjamin Netanyahu, whom it regards as intransigent and unwilling to compromise with Palestinians in the stalled peace process.

Citing security concerns, Mr. Netanyahu has rejected the Clinton administration's proposal that he withdraw troops from an additional 13 percent of the West Bank in return for Palestinian guarantees to fight terrorism. Yasser Arafat's Palestinian Authority, which had hoped for a much greater Israeli withdrawal by now, has accepted Washington's proposal.

"We're here hopefully to help the peace process, but to help the peace process in which Israel defines its own security needs," said Mr. Gingrich, who has made it clear that he blames the Palestinians for the virtual collapse of negotiations.

Representative Benjamin Gilman, Republican of New York and chairman of the House International Relations Committee, amplified Mr. Gingrich's message that no matter what pressures the administration applies to Mr. Netanyahu, he is on firm ground with Congress.

"We're here to demonstrate on both sides of the aisle our strong support for the state of Israel," said Mr. Gilman, who is leading his own delegation in Israel. "And Mr. Prime Minister, we want you to know that despite all your trials and tribulations, both internally and externally, you have many good friends in the Congress."

Mr. Gingrich and his like-minded colleagues appear to be aiming their support for Mr. Netanyahu at two audiences.

One is an Israeli domestic audience that seems convinced that no matter what Mr. Netanyahu's travails at home, he can play the game of American politics as well as — and perhaps better than — President Bill Clinton himself. The other is the American Jewish community, whose votes and wallets are regarded by both major parties as critical in the 2000 elections.

Nonetheless, Mr. Gingrich was at pains Monday to dispute the notion that he and his colleagues were at odds with the administration.

"When we're out of the country, we try to work with the administration," he said. "We're one country when we're overseas."

He and the other members of Congress here — more than 20 in at least three delegations are in the country — are meeting with top Israeli politicians, touring the West Bank and attending a

variety of other events. The visits, analysts agree, will ease the pressure on Mr. Netanyahu to compromise at the very moment that the Clinton administration would dearly like him to do so.

Mr. Gingrich, an outspoken critic of the administration's attempt to angle Israel toward a broader troop pullback from the West Bank, said at a news conference that Mr. Clinton's message to Mr. Netanyahu on Israel's 50th anniversary celebration was: "Happy Birthday. Let us blackmail you on behalf of Arafat."

Gingrich Sees Embassy Site

Mr. Gingrich drove past the proposed site for a U.S. Embassy in Jerusalem, but did not stop at the site, which has come to symbolize U.S. policy regarding the disputed city. The Associated Press reported.

With his drive-by in the company of Mayor Ehud Olmert, Mr. Gingrich signaled his support for moving the embassy from Tel Aviv to Jerusalem and recognition of Israeli sovereignty over all of the city.

At the same time, he formally honored a request by the White House and the State Department that he not visit the site because of concern that such an act would trigger Palestinian protests.

The Palestinians want to establish a capital in East Jerusalem and have complained that Mr. Gingrich and other members of Congress visiting Israel have been taking Israel's side in the dispute over the future of the city of 420,000 Jews and 180,000 Arabs.

Palestinians Seek Arab Talks

The Associated Press

JERUSALEM — Skeptical about U.S. mediation efforts in the Middle East, the Palestinians are working to convene an Arab summit meeting that would declare that relations with Israel are being frozen, a senior Palestinian official said Monday.

Such an announcement would be a major blow to Israel, which at the height of Mideast peacekeeping had emerged from its regional isolation and established new ties with several Arab countries.

The Palestinian leader, Yasser Arafat, flew to Saudi Arabia on Sunday to discuss the idea. Egypt, Jordan, Syria, the United Arab Emirates and Qatar have already agreed to attend, said the chief Palestinian negotiator, Saeb Erekat.

The summit is to be convened shortly after the U.S. peace initiative has played itself out, Mr. Erekat said. The summit would pick up where a similar conference left off two years ago — with a warning that the Arab world would suspend normalization of ties unless Israel carried out its obligations under the peace accords.

Secretary of State Madeleine Albright of the United States has said she would give Israel another week at the most to accept a U.S. proposal for an Israeli troop pullback from 13 percent of the West Bank, a Palestinian official said. Israel has rejected the proposal, citing security concerns. If Israel does not budge over the next week, Mrs. Albright is expected to announce the failure of the U.S. initiative.

French Unions Keep Up the Pressure

Reuters

PARIS — Labor unions and transport workers kept up the pressure in France on Monday as Air France pilots went on strike and truckers prepared to block the nation's highways.

Just two weeks before the start of the World Cup soccer championships, three pilots' unions forced national airline Air France to curtail flights for the second successive day and said they would stop work again for four days from June 1 to June 4.

All long-haul flights would operate as scheduled, the airline said Monday, adding that the strike would end at midnight. On Tuesday, truckers belonging to the militant Workers Force union are due to set up roadblocks or snarl traffic by going slowly in convoys along highways around France to push their demand for a pay raise.

Unions across the transport sector have threatened a growing wave of industrial action in the buildup to the World Cup, aware that Paris will do all it can to avoid embarrassing strikes that could mar the tournament.

The World Cup, involving teams

from 32 countries playing in 10 French cities, starts on June 10 and ends on July 12.

The powerful Communist-led CGT trade union said railway, energy, construction and department store workers would stage nationwide protests on June 4 and urged employers to settle labor disputes before the competition starts.

Short of calling for stoppages, CGT leaders said at a news conference that the CGT must be for everyone, and wage earners must not be left out.

"All must be done to make the World Cup a success," said Gilbert Stoguet, head of the CGT's transport branch. "But if labor conflicts are justified, then there will be conflicts."

There are threats of strikes on the national railway network and in Paris public transport, among other sectors.

Transport Minister Jean-Claude Gaysot, a Communist Party member, said, however, that he was confident that workers would stay on the job during the championships to protect France's image.

The main SNPL pilots' union, which represents 60 percent of Air France pi-

lots, did not take part in the strike but has said it will call out its members for at least the first two weeks of June unless the carrier drops plans to cut salaries by 15 percent. The pilots accuse management of deliberately timing a wage cut to coincide with the World Cup in the hope that a sense of duty will prevent staff from walking out.

Air France says its pilots earn 40 percent more than their counterparts at Lufthansa German Airlines and has offered them shares in the company if they accept the wage cut.

Truckers have brought France to a standstill twice in recent years by parking their vehicles across highways and have each time won major concessions out of the bosses.

But Workers Force says a deal signed to settle a strike last year has not yet been honored by trucking companies. The union set Tuesday's strike to coincide with a fresh round of talks.

Marc Blondel, the secretary general of Workers Force, said Sunday that unless union demands were met, the truckers would protest during the World Cup and called on the public to back them.

Greek Bank Unions Strike

Reuters

ATHENS — Greek bank unions staged work stoppages Monday to protest a weekend raid by riot police on an Ionian Bank branch where employees were striking over privatization plans.

The unions said they would continue to strike until the government agrees to a new privatization plan.

WEATHER

Forecast for Wednesday through Friday, as provided by AccuWeather.

Region	City	Today	Low	High	Low	High	Low	High
Europe	Algeria	21/70	11/52	19/56	10/50	18/54	9/46	17/50
	Amsterdam	18/61	6/42	15/58	6/42	13/54	5/38	11/50
	Ankara	20/70	11/52	25/77	9/46	21/70	8/42	17/50
	Athens	21/70	11/52	25/77	9/46	21/70	8/42	17/50
	Berlin	20/70	11/52	25/77	9/46	21/70	8/42	17/50
	Bombay	20/70	11/52	25/77	9/46	21/70	8/42	17/50
	Buenos Aires	20/70	11/52	25/77	9/46	21/70	8/42	17/50
	Calcutta	20/70	11/52	25/77	9/46	21/70	8/42	17/50
	Chongming	20/70	11/52	25/77	9/46	21/70	8/42	17/50
	Colombo	20/70	11/52	25/77	9/46	21/70	8/42	17/50
North America	Alaska	20/70	11/52	25/77	9/46	21/70	8/42	17/50
	Alaska	20/70	11/52	25/77	9/46	21/70	8/42	17/50
	Alaska	20/70	11/52	25/77	9/46	21/70	8/42	17/50
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	Alaska	20/70	11/52	25/77	9/46	21/70	8/42	17/50
	Alaska	20/70	11/52	25/77	9/46	21/70	8/42	17/50
	Alaska	20/70	11/52	25/77	9/46	21/70	8/42	17/50
	Alaska	20/70	11/52	25/77	9/46	21/70	8/42	17/50

Legend: s-sunny, p-partly cloudy, c-cloudy, sh-showers, h-hurricanes, r-rain, s-snow, flurries, sh-snow, h-hail, W-Winter.

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Around the World Foreign Capital Around the Clock

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TRAVEL UPDATE

'Diana' Bus Tours Set for London

LONDON (Reuters) — A British woman, Nicola Pearce, has set up five Diana Memorial Tours that will take visitors to London around the places and sights that featured in the life of Diana, Princess of Wales.

The bus tours will include Kensington Palace, where Diana lived, Westminster Abbey where her funeral service was held, as well as a gymnasium that she used in the West London district of Earl's Court, the nursery where she worked before her marriage in 1981 to Prince Charles and some of her favorite shops.

The Russian flagship carrier Aeroflot plans to introduce a frequent flyer program, the company said Monday. A spokesman said Aeroflot had agreed with the German company Unifly to introduce the program in October. (Reuters)

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THE AMERICAS

Elite U.S. Troops Help Train Colombians to Fight the Drug Traffickers

By Dana Priest
and Douglas Farah
Washington Post Service

WASHINGTON — U.S. Special Forces troops have been conducting extensive training exercises with Colombian soldiers fighting drug traffickers and guerrillas under a program that avoids restrictions imposed on military aid by the Clinton administration.

The restrictions were imposed in response to Colombia's abysmal human rights record and drug-related corruption.

The training, involving hundreds of American troops each year, has allowed the U.S. military to play a much more direct and autonomous role in Colombia than officials have acknowledged.

Small teams of elite American troops

have instructed Colombians in light infantry tactics and intelligence gathering for anti-drug operations, and have conducted eight-week counterterrorism courses, usually in remote jungle bases where guerrillas and drug traffickers are most active.

The program is authorized under a 1991 law that permits U.S. Special Forces, America's premier irregular fighters, to train on foreign soil if the training is designed primarily to benefit the U.S. troops.

While not secret, the training is sensitive enough that few in Congress are aware of it. The exercises have been suspended this month as Colombia holds presidential elections.

The law authorizing the special forces exercises does not require U.S. troops to abide by a State Department policy in

which military aid is restricted to Colombian units that have been cleared of any involvement in human rights abuses. Colombian troops trained by the special forces are not similarly vetted.

It was under the same program, known as the Joint Combined Exchange Training, that American troops conducted 41 training exercises with Indonesia in the past seven years even though many members of Congress believed they had curtailed military ties with that country because of human rights abuses. Defense Secretary William Cohen suspended the Indonesia program two weeks ago because of turmoil in the country.

The Pentagon spokesman, Kenneth Bacon, said the United States considered the joint training important because "it allows us to train in different areas of the world and to learn how other

militaries operate."

"We did this under the terms of the law," he said. "It was totally legal and reported to Congress."

The training program has quietly proceeded in Colombia as a civil war there has intensified and as Washington debates how to oppose drug trafficking from the world's top cocaine producer, where all centers of power — the military, the government and the guerrillas — have been tainted by the drug trade.

While the United States is reluctant to get involved in counterinsurgency operations, the line between the narcotics traffickers and the guerrillas has blurred.

Senior administration officials said that an across-the-board assessment of Colombian policy was under way, involving the State Department, Defense

Department and intelligence agencies, because of a consensus that Colombia, the hemisphere's second-oldest democracy, is facing an escalating threat to its stability.

In recent months, the two Marxist guerrilla movements have inflicted heavy losses on government troops and now control about 50 percent of the country.

A recent Defense Intelligence Agency report estimated that the Revolutionary Armed Forces of Colombia has 15,000 troops and the National Liberation Army has 5,000 troops, a substantial increase from a year earlier.

U.S. Special Forces officers involved in the training program in Colombia say it plays an essential role in maintaining good relations with a long-standing U.S. ally. They also say that U.S. troops learn to operate in jungle and mountain ter-

rain not found in the United States and train for emergency evacuations of U.S. personnel and for fighting terrorism.

But the uneasy, broader U.S. relationship with Colombian authorities was highlighted this month when the United States revoked the visa of General Ivan Ramirez, inspector-general of the armed forces, over his alleged ties to several army massacres of civilians.

Two years ago the United States barred contacts with General Hernando Camilo Zuniga, then commander of the armed forces, because of suspected ties to drug traffickers.

Under heavy U.S. pressure, President Ernesto Samper on Tuesday disbanded the 20th Intelligence Brigade because of evidence that the unit was responsible for a series of murders of civilian politicians and human rights activists.

Clinton Aides Reject Calls For Delay of His China Visit

By David Sanger
New York Times Service

WASHINGTON — President Bill Clinton's national security adviser says that "it would be an enormous mistake" to postpone Mr. Clinton's trip to China next month simply because of the political storm over the export of satellite technology.

Nonetheless, White House officials are already scrambling to find diplomatic offerings they can bring to Beijing without worsening the controversy, since many of the initiatives Mr. Clinton is considering would use access to U.S. satellites and joint space research as a lure for China to take further steps in limiting weapons proliferation.

Sandy Berger, the national security adviser, dismissed calls Sunday by virtually all the Republican leaders in Congress for Mr. Clinton to cancel his trip.

Among those leaders was the speaker of the House, Newt Gingrich, who said in a television interview: "Until we know the truth about what was going on, it is very inappropriate for the president to go to China."

Mr. Gingrich added that "it would be an embarrassment to both countries to have the meeting."

White House officials say there is virtually no chance Mr. Clinton will cancel plans for his meeting with Chinese leaders in late June, which Mr. Berger said comes at a crucial moment in relations with Beijing. Noting India's recent tests of nuclear weapons and the turmoil triggered by the Asian financial crisis, Mr. Berger said, "China is key to all of those."

At the same time, a continuing criminal investigation and the opening of several congressional inquiries into the actions of two satellite makers are bound to affect the agenda of the trip, according to several officials and informal advisers to the administration on China.

"It's obvious that a lot of what we had hoped to offer in return for Chinese commitments on proliferation — especially in the space and technology area — are going to have to be reviewed," one senior adviser to Mr. Clinton said. "That's just the political reality."

For example, a month ago administration officials were discussing with the Chinese the possibility of a blanket waiver of sanctions imposed after the killing of demonstrators in Tiananmen Square in 1989. The waiver would allow China to launch U.S.-made satellites without case-by-case presidential review. In return, the White House was looking for a commitment from China to join the Missile Technology Control Regime, the main international group that limits exports of missile technologies.

But in the current political climate, that proposal appears all but dead.

Criticism From China

The Chinese Foreign Ministry spokesman, Zhu Bangzao, in a statement carried Monday in the Communist Party's leading newspaper, criticized recent amendments passed by the House that would prohibit U.S. satellite makers from using China's launch program and outlaw or limit transfers of nuclear and other sensitive technologies. The Associated Press reported.

"Disregarding the norms of international relations, some members of Congress have advanced several anti-China resolutions and crudely interfered in China's internal affairs," Mr. Zhu said. "The Chinese side expresses strong dissatisfaction and resolute opposition."



SCENE OF DISASTER — Bolivian soldiers sifting through debris in Aiquile. Strong earthquakes struck mountainous areas of Bolivia on Friday, killing 124 people and leaving 15,000 homeless.

POLITICAL NOTES

Democrats Quaking in Maine

KITTERY, Maine — In recent days, the Democrats of Maine have been admitting painfully to thoughts of the unthinkable.

Could it be that they will fare so poorly in the November elections that their candidate for governor will fail to garner even 5 percent of the vote?

Could they thus face the ignominy of losing their status as a "qualified party" under Maine law, and thus lose their right to hold a primary? Is the two-party system in danger in Maine?

Political analysts generally stop right there and say: No, it is not in danger. If you run a yellow dog as the Democratic candidate for governor in Maine, they say, it would receive about 20 percent of the vote.

But no one is denying that the Democrats here are in a political pickle, and it is all the fault of Governor Angus King Jr., the only independent U.S. governor. After more than three years in office, Mr. King is so widely well-regarded that he routinely chalks up favorability ratings of more than 80 percent.

"He's like Clinton without the intern," said Rick Tyler, executive director of the Maine Republican Party. Though Mr. King has been on the losing side of two state plebiscites — one on forestry and one that rescinded Maine's gay-rights law — he has also shown himself capable of forging the legislative co-

alitions needed to get things done, including a delicate deal on spending the budget surplus this year. (NYT)

New \$1 Coin on the Horizon

WASHINGTON — Susan B. Anthony may have been a great women's leader, but as a coin she was a bust.

So Congress has ordered up a new, gold-colored \$1 coin to replace the dollar coin on which Anthony's image appears. Treasury Secretary Robert Rubin said last week that the new coin, to be issued in 2000, should offer the image of a woman, but not a living person. Candidates include Anthony, Eleanor Roosevelt and Sacagawea, the Native American woman who helped guide Lewis and Clark. A committee will hold a hearing on the issue June 8 in Philadelphia. (WP)

Quote/Unquote

President Bill Clinton, after laying a wreath at the Tomb of the Unknowns, commented on the decision to exhume the remains of a Vietnam-era soldier for possible identification: "It was the right course of action because science has given us a chance to restore his name and bring comfort to his family — and we had to seize it." (AP)

Away From Politics

• Americans believe college is worth the money but do not think it is affordable for most people, according to a poll conducted for the American Council on Education. Most people, however, are optimistic about being able to send their own children to college. The poll also found that most think college is more expensive than it is. (AP)

• Cardinal John O'Connor of New York has condemned a proposal before the city council to make domestic partners the legal equals of married couples, calling it a violation of natural law and a blow to traditional marriage as the "first and vital cell of society." (NYT)

• A US Airways flight from Pittsburgh to Los Angeles made an emergency landing in Oklahoma City after seven people suffered minor injuries when the Boeing 757 hit severe turbulence. (AP)

• A helicopter crashed on a four-lane highway, missing traffic but killing all five people aboard, the authorities in Monroe, North Carolina, said. (AP)

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Herald Tribune
THE WORLD'S DAILY NEWSPAPER

Church Bombing Wounds 33
Illinois Attack, During Service, Is Second in 5 Months

The Associated Press

DANVILLE, Illinois — An explosion that tore a hole in the side of a church and wounded 33 people was caused by a bomb, federal authorities said Monday.

The blast Sunday at the First Assembly of God Church was the second church bombing in the area in five months.

"We have determined that it was an explosive," said Jerry Springer, a special agent of the federal Bureau of Alcohol, Tobacco and Firearms. Residue from the explosive will be sent to a laboratory for examination, he said.

More than a dozen federal agents were sent to the scene.

Mr. Singer noted that a bomb explosion on Dec. 30 damaged a church in Oakwood, about 15 miles (25 kilometers) from Danville. The blast at Oakwood United Methodist Church, which is still under investigation, killed a 46-year-old church volunteer.

About 300 people were worshipping in the Danville church when the explosion occurred. Parishioners had just bowed their heads in prayer when the blast rocked the church and white smoke filled the sanctuary.

Two girls, aged 14 and 15, were in serious but stable condition with head lacerations at a hospital in Urbana, Illinois.

Six others were listed in fair or stable condition in a Danville hospital. The 25 others were treated and released.

The force of the explosion shattered windows up to 300 feet (90 meters) away. Bits of glass and twisted metal littered the street.

The Reverend Dennis Rogers said the lights went out as smoke filled the building.

"I couldn't see," he said, adding, "I told the people to move as quickly and quietly as you can out of the building."

Church members gathered afterward to pray "that anger would not rule, that we would not ask why, that we would move on," he said.

Banque Générale du Luxembourg in 1997

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Amounts owed to customers	18,816	17,241	+9.1%
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Loans and advances to credit institutions	12,957	12,148	+6.7%
Securities	7,897	6,061	+30.3%
Own funds (1)	1,448	1,197	+21.0%
Net profit for the financial year	103	91	+13.3%
Dividend per share (2), in USD	43	37	+15.9%

(1) according to statutory definition (2) before withholding tax
The official figures, expressed in LUF, have been translated at the exchange rate prevailing on 31.12.1997: 1 USD = 36.37 LUF

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ASIA/PACIFIC

With Estrada's Victory Certain, Everybody's in His Parade

By Don Kirk
International Herald Tribune

MANILA — Suddenly, shining new stickers bearing the word "Erap" or "Estrada" are appearing on the bumpers of the big vans and limousines that carry the elite of Metro Manila from their rambling homes in walled "villages" to the high-rise office buildings of Makati, the central business and financial district.

"They didn't stick them on during the election campaign," said Mike Cohen, a local newscaster. "They look much too new."

"Now the rich people think it's time to show their loyalty."

With just a few days to go before he is formally proclaimed the winner of the May 11 presidential election, Joseph (Erap) Estrada's bandwagon is turning into a victory parade.

Almost everyone except some of the politicians who ran against him for president seems to want to demonstrate af-

fection for the former actor, who owes his mass popularity to his roles as an action hero in local films.

"He used to fight against the bullies in school," said Rafael Buenaventura, now a bank president, who was in the same class in an exclusive private school with Mr. Estrada until the future president was expelled after a fight with an American classmate.

Upper-class Filipinos who once were accustomed to laughing at Mr. Estrada because he did not graduate from college and because of his self-confessed drinking and womanizing now tell stories about him in awe and admiration.

There is even a search on to find the American with whom he got into the schoolyard fight.

"If we find the right one, he'll be invited to the inauguration on June 30," said Domingo Siazon, the foreign secretary.

The fact that "Estrada" was not even Mr. Estrada's last name in those days adds to the legend.

He loves to tell the story of how his father, an engineer, was so disgusted when his son dropped out of a local engineering college to become an actor that he asked him not to use the family name, Ejercito.

Mr. Estrada says he found "Estrada" in the phone book and had his name legally changed but may revert to Ejercito after he becomes president.

Among millions of ordinary Filipinos, however, there is no need to engage in myth-making.

"He is for the people," said Leonardo Hernandez, a construction worker in a typical comment. "He is not corrupt like all the others."

Tales of Mr. Estrada's wealth — that he owns several opulent homes and comes from a rich family — are forgotten by many who revere him for the populist image cultivated in his films.

"We know he cares about us," said Rolando Guzman, a cab driver.

His nickname, "Erap," was taken from *pare*, or friend, spelled backward.

In a society inured to "salvagings" — Philippine-English for assassinations — rumors of plots to kill Mr. Estrada make tabloid headlines but are difficult to believe.

"Too many people like him," said Flor Belino, a store clerk who voted unenthusiastically for one of Mr. Estrada's opponents.

"Anybody who tries anything against Erap will be killed."

Not even leftists who might object to Mr. Estrada's reliance on some of the country's wealthiest entrepreneurs for campaign contributions have been upset enough to object to the results.

One reason may be that Mr. Estrada, in the shadows as vice president for the last six years under President Fidel Ramos, voted in 1991, while he was a senator, against renewal of the military bases agreement with the United States.

"The people have spoken," said Hermie Padillo, a member of a leftist umbrella group that is often identified

with the communists' National Democratic Front. "Let's give him a chance."

On the streets of this sprawling metropolis, crowded with colonies of millions of squatters in the shadows of high-rise office towers and apartment blocks, people are willing to give a chance to almost anyone who gives an impression of being on their side in a constant battle for food and shelter.

"He will be better than Mr. Ramos," said Jimmy Cadagat as he sold cigarettes and candy on a street corner near a row of flimsy, tin-roofed huts.

"The rich get richer and we get more poor."

To Mr. Cadagat, it did not matter if Mr. Estrada was once close to Ferdinand Marcos, who was overthrown as president in the People Power Revolution of 1986.

"Marcos was a great man," said Mr. Cadagat, reflecting a widespread view among millions of poor Filipinos. "Erap will be like him."

BRIEFLY

Pyongyang Returns Remains of 2 GIs

SEOUL — North Korea returned two sets of remains on Monday believed to be those of unidentified U.S. soldiers killed in the 1950-53 Korean War.

The remains were handed over to the American-led United Nations Command at the village of Panmunjom in the Demilitarized Zone separating North and South Korea.

The remains had been scheduled to be returned on May 15, but North Korea refused to turn them over because the United States wanted them transferred through the UN Command rather than accepting them directly. (AP)

China Sentences Muslims to Death

BEIJING — A Chinese court has sentenced to death three Muslims belonging to the Uighur ethnic minority for robbing and killing Chinese peasants, a court official said Monday.

But the BBC quoted local radio as saying the defendants were convicted of inciting separatist rebellion in the region of Xinjiang.

Xinjiang radio said the defendants had killed the three Chinese peasants as part of a strategy of "killing one to frighten thousands" of Chinese settlers in their homeland. (Reuters)

Burma Detains 16

RANGOON — Burma has detained at least 16 members of the opposition National League for Democracy in an attempt to halt a gathering planned to commemorate the party's 1990 electoral victory, opposition sources said Monday.

At least 10 NLD representatives in the Ayeyawady division and two in the Magway division were picked up on May 22 and four others in the Bago Division on May 21, a league source said.

But a government statement denied the opposition accusation.

The opposition party had planned to hold the gathering Wednesday through Friday at the home of its leader, the Nobel laureate Daw Aung San Suu Kyi. The meeting was to mark the eighth anniversary of the party's May 1990 election victory, which was not recognized by the junta. (Reuters)

Betting on Better Days

Jobless South Koreans Turn to Gambling

By Kevin Sullivan
Washington Post Service

SEOUL — It's a drizzly afternoon and the Seoul Racetrack is packed. The fifth race of the day is about to get under way, with a field led by thoroughbreds named April Mistress, Diamond, Space Dancing and Authoritarian.

All five tiers of the grandstand are filled, the betting windows are jammed with people trying to place their wagers, men with pencils and racing forms crouch in the blue haze of cigarette smoke in front of video monitors displaying the odds. The crowd is overwhelmingly male, but a few families with small children spread plastic sheets on the concrete infield and munch noodles and kimchi, while the horses trot toward the starting gate.

Many South Korean industries are suffering because of the economic crisis that has swept the nation, but gambling is not one of them. Since the nation nearly went bankrupt in December, people have been playing the ponies in record numbers, as unemployment soars, so has track attendance.

"There aren't many places for the unemployed to go, so people come here to spend their extra hours," said Kim Myun Shik, 29, who lost his job with a cleaning service two months ago. "We come here with hope."

When times are bad, people gamble. It's a fundamental law of human nature upon which places such as Las Vegas and Atlantic City have been built. And times don't get much harder than they are in South Korea these days. Middle-class families that have enjoyed a generation of comfort have been forced to sell cars and houses. Homelessness is increasing, suicide and crime are way up, and bettors placed \$20 million more in bets in the first three months of this year than they did during the same period last year.

Even though the course is open only on Saturday and Sunday, more than 2.2 million people came to the races in January, February and March; more than 105,000 have been coming to the track each race day.

"When times are tough, more people come in hopes of getting lucky and earning money to take home to their families," a track spokesman said. "To some, this is the only place they can turn when it comes to earning money. If they have no jobs and aren't being offered any, where else can they go?"

Mr. Kim, the jobless worker, sat on a bright blue plastic sheet in a lightly falling rain. He said he bets only about \$7 a day. Once he hit a 30-to-1 shot, he said, but he still loses as often as he wins.

"I don't bet that much, and I don't



Unemployed workers hiding from the camera Monday at a public park in Seoul as they waited for free meals.

use my savings," he said. "There's no one for us to lean on, so we come here to enjoy ourselves for a little while and maybe win a little money."

Approached by a reporter at the track, person after person shook his head and slunk away when asked why he had come. Few wanted to acknowledge that they were betting money they couldn't afford to lose.

Kim Dong Kyom, 31, a government

worker who came to the races in a suit and tie, said: "The reality is so dark that they're trying to get out, even through this tiny tunnel."

Suh Young Suk, a playwright with a betting form in his hand, said: "It's heartbreaking to see people with nothing betting against all odds."

He said many families used to go to amusement parks or other more expensive weekend entertainment spots. "But

this is cheaper, so when fathers lose their jobs they can't afford to go anywhere else, so they bring their families here."

Lim Dong Ha, a taxi driver, said he had met unemployed people at the races betting their pension money and their savings, and even people who had borrowed money from friends for a shot at the big score. "They have to have hope," Mr. Lim said. "There's always that 'maybe.'"

Pakistani Commandos Overpower 3 Hijackers

ISLAMABAD, Pakistan — Police subdued three Pakistani student activists Monday after they tried to hijack a small plane to India to protest a possible nuclear test in their homeland.

The Fokker Friendship aircraft, with 29 people on board, sat on the tarmac of the airport in Hyderabad in southern Sindh Province for eight hours while the hijackers negotiated with government officials.

Army commandos overpowered the hijackers shortly before dawn Monday. An army major was wounded and one of

the hijackers slightly wounded in a scuffle. All the passengers were freed unharmed.

Pakistan International Airline Flight 554 originated at the small airports of Turbat and Gwadar in the remote Pakistani province of Baluchistan and was en route to the southern port city of Karachi when the hijackers showed themselves. They had boarded the aircraft with pistols and grenades.

The crew of the plane told the hijackers that the plane had crossed into Indian territory and landed in the Indian state of Rajasthan.

The hijackers wanted to go to New Delhi.

Throughout the standoff, the hijackers believed that they were in India and that they were negotiating with Pakistan's ambassador to India, Defense Ministry officials said. Their demands included a halt to plans for a possible nuclear test in Baluchistan.

Since neighboring India conducted three nuclear tests on May 11 and two on May 13, U.S. intelligence has detected signs that Pakistan is preparing a test site of its own in Baluchistan's Chagai region, near the border with Iran.

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BRIEFLY

Pyeongyang Returns Remains of 2 GIs

SEOUL — North Korea is returning the remains of two American soldiers killed in the Korean War. The remains were handed over to the United Nations Command in the village of Panmunjom in the Demilitarized Zone between North and South Korea. The remains had been scheduled for return on May 15, but North Korea had asked them over a year ago. The United States is expected to return the remains through the U.S. military.

China Sentences Muslims to Death

BEIJING — A Chinese court has sentenced three Muslims to death for plotting to kill a senior official. The court said the three were part of a group that planned to assassinate a high-ranking government official. The court also sentenced several other people to prison terms.

Burma Detains 16

NAU-SAT — Burmese soldiers have detained 16 people in the town of Nau-Sat. The soldiers said the people were suspected of being involved in a recent attack on a military installation.

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INTERNATIONAL

New Farm Policies in Africa Spark Agricultural Renaissance

By Stephen Buckley
Washington Post Service

WELISSO, Ethiopia — In the dark days of Ethiopia's Marxist dictatorship, which ended in 1991, Mergia Hirko perpetually suffered a farmer's most humiliating indignity. Year after year, he could not feed his wife and their nine children.

Today, his family — he now cares for his seven grandchildren — has more than enough to eat. In fact, he has moved out of a thatched-roof hut and into a spacious, tin-roofed house. He can even afford to buy clothes for himself and the grandchildren.

But "the most important thing is that

we have enough food for my family," Mr. Mergia, 68, said, sitting outside his house in this town 125 kilometers (80 miles) west of Addis Ababa, the capital. "We always had shortages in the past. We were always eating the donated food."

Mr. Mergia and his family can eat because in the past five years this East African country has transformed its agricultural policy by, among other things, investing more money, providing farmers with more services and, perhaps most important, allowing them to sell their crops on the open market.

Those changes in this nation of 60 million people, 85 percent of them farmers, have led to a 100 percent increase in

production of principal grains since 1990. Some agricultural experts even predict that Ethiopia could be feeding itself in a decade.

Ethiopia, which endured one of Africa's most devastating famines just 14 years ago and has constantly struggled to produce enough food for its people, still has plenty of work to do. Farmers still depend primarily on rain-fed crops, leaving them vulnerable to the vagaries of nature.

Last year, the country got too much rain and needed thousands of tons of food aid from foreign governments and relief groups. Yet no one is talking of famine. And, just as significant, the setbacks in agriculture did not send

Ethiopia's economy tumbling. It still managed to grow by about 5 percent.

Ethiopia "has a long way to go," but it has "come quite far," said Fayeze Omar, the World Bank representative in the country. "Even in years where you don't have adequate rainfall, the gross domestic product doesn't shrink," he said. "In the old days, when rainfall was bad, GDP would be minus 6, minus 7 percent" from one year to the next.

Ethiopia's renewed focus on agriculture is part of a widening trend in sub-Saharan Africa, where governments have largely ignored, or sabotaged, their farmers for much of the past three decades. Consequently, annual food production has lagged behind

population growth in most countries.

These days, more governments allow farmers to sell their goods at market prices, instead of forcing them to sell to a government grain board. They provide more credit, more seeds, more fertilizer. They are rushing to improve facilities to help farmers get their goods to market.

And they are reaping the rewards. Ghana doubled its corn production from 1986 to 1996. Nigeria's corn output leaped by 50 percent from 1990 to 1996. Mozambique, emerging from nearly two decades of civil conflict, has seen agricultural output grow 50 percent. In the past decade, Ugandans have doubled or tripled production of several main crops.

The rebirth of agriculture in Africa, where 65 percent of the people are farmers, has come with help from such organizations as the Sasakawa Africa Association. Primarily through technical advice and training, the association, working with the Atlanta-based Carter Center, has helped such governments as Ethiopia's reshape agricultural policies that strangled farmers for decades.

Throughout the continent, said Mario Quinones, who runs the Sasakawa project in Ethiopia, the problem has been "policies that don't encourage farmers to be more productive."

Perhaps nowhere were the government's policies more wrongheaded than in Ethiopia, a vast, verdant, mountainous country, in which most family huts are days from the nearest road. Mengistu Haile Mariam's dictatorial socialist regime, which ruled for 16 years and was known as the Dergue, forced peasants into cooperatives, stirring profound resentment among farmers who had to share their crops with less hard-working countrymen.

Farmers felt helpless. Security was such a problem that they never knew if they would return safely from the market. Government officials regularly snatched their sons away for army duty. On top of that, the Dergue made farmers sell crops to the state Grain Marketing Corp., which paid them prices that were sometimes one-fifth of what they could get in an open market.

The regime of Meles Zenawi, who became president after his rebel group deposed the Dergue in May 1991 and is now prime minister, has largely dismantled those policies. "We are back on our plots, for one," Mr. Mergia said. "We grow any crop we want. There's no fear. You do what you want for yourself."

The transformation here has not been total: it is still illegal to own land in Ethiopia. But Mr. Meles has fully embraced the Sasakawa Association's advice: Encourage the use of moderate amounts of fertilizer; provide more seeds and credit and provide more government agricultural experts to advise and help farmers.

Those experts exhort farmers to, among other things, prepare their land properly, weed in a timely manner, plant seeds in rows. In 1993, only 167 farmers were using the techniques pushed by the government and the association. Last year, 690,000 adopted the methods, known as "the package," and by the end of this year, the total is expected to reach 3 million.

Mr. Legese, who cares for seven children and his wife, mother and brother, leases 10 hectares (25 acres) from the government. His crops include corn, wheat, coffee and teff, the most popular staple grain in Ethiopia.

A few years ago, he owned one dairy cow and three oxen. Today, money from increased crop production the past two years has allowed him to buy seven more oxen, nine more cows for milking and 10 cattle that he is fattening up for their meat.

"There's a lot of improvement," said

BRIEFLY

Militants in Tehran Break Up Rally

TEHRAN — Hard-line militants wielding sticks, stones and chains broke up a pro-democracy rally in Tehran on Monday by about 2,000 students.

At least 20 people, most of them students, were injured. Several were taken to hospitals.

Anti-riot police, in vans around the park where the rally was held, did not intervene initially when the students were attacked by about 60 militants affiliated with Ansar-e-Hezbollah, or the Supporters of the Party of God. The police entered the fray after about 20 minutes to separate the two sides.

"This rally is being held with permission from the Interior Ministry," the police shouted through bullhorns. "Please allow them to continue."

The militants, whose ranks eventually swelled to about 400, heckled the police and called for the resignation of the liberal interior minister, Abdullah Nouri, whom they described as incompetent. (AP)

Leader of Qatar Wants Constitution

KUWAIT — Qatar will have a constitution and will try to emulate Kuwaiti democracy by the beginning of the next century, Qatar's emir was quoted Monday as saying.

The emir, Sheikh Hamad bin Khalifa al Thani, told a Kuwaiti press delegation visiting Qatar that he planned to "set up a team that would draft the country's constitution." His remarks were published by Kuwait's *Ar-Rai' al Aam* daily.

The Gulf emirate does not allow popular participation in decision-making. It has an advisory council appointed by the emir, but the council lacks legislative powers. (AP)

For the Record

Winter rains finally fell in Honduras over the weekend after an eight-month dry season, putting out forest fires and dispersing a thick blanket of smoke that choked the country for weeks, meteorologists said. The rains are expected to continue for several days. (Reuters)

Struggling to regroup after two resounding rejections by voters in Nicaragua, the country they once ruled, the leftists of the Sandinista National Liberation Front clung to their top leaders at the party's convention last weekend. The delegates elected two former commanders, Daniel Ortega and Tomas Borge, to head a 15-member National Directorate. (LAT)

HONG KONG: A Victory for Democrats

Continued from Page 1

Asian, they all want to be free. That's what we showed on Sunday."

Practically speaking, Mr. Lee's victory is a hollow one. Election rules written by the Hong Kong government ensured that his party, the Democratic Party, would only win a minority of the 60 seats at stake in the Legislative Council.

Although they got by far the most votes, final results gave the Democrats and their allies 20 seats. Fifteen of their seats were directly elected while five came from Functional Constituencies — such professional groups as doctors, lawyers and information technology workers who voted separately.

Hong Kong's democrats will be blocked from introducing legislation and denied any sort of check on government plans. Pro-China candidates will dominate the body.

But morally, Mr. Lee's comeback along with the record-setting turnout of 53 percent marked an important moment in Hong Kong.

"I think the people have spoken very loudly and clearly," said Emily Lau, a former journalist whose populist Frontier movement won three seats.

"They support democracy," she said. "I certainly hope the people in Beijing would be watching closely."

Flocking to vote through flooding villages in Hong Kong's New Territories and under waterfalls cascading from the tenements of Mongkok and Kowloon Tong, Hong Kong's people also buried the misconception that they are an apathetic, money obsessed lot, although one clothing store did a brisk business offering T-shirts at 40 percent off to voters only.

"We have to participate to show that we care and we want further steps toward democracy," said Samuel Kiu, a 33-year-old insurance agent. "The high turnout yesterday is really good news. It might even push the Chinese government to give us more seats and a fairer voting system."

Mr. Lee, in an interview, vowed that his first move in the legislature would be to call for a debate on the pace of democratization in Hong Kong.

Under the Basic Law, the Hong Kong constitution that forms part of an agreement between China and Britain to maintain Hong Kong's capitalist and pluralist system for the 50 years after the 1997 handover, 20 of the council's seats were directly elected in this vote. That number is to rise to 24 in 1999, to 30 by 2003 or 2004.

By 2007, the whole council could be directly elected. But Mr. Tung, the Beijing-appointed chief executive, recently told U.S. diplomats that he was thinking of delaying that commitment for as long as 15 years, sources said.

"We have put democracy at the forefront of our campaign platform," Mr. Lee said, pledging to battle Mr. Tung on

this issue. "We believe this tremendous increase in voter turnout means that people want democracy. We owe it to our people to fight for it."

Mr. Lee and the rest of his allies were removed from the legislature by Beijing shortly after midnight on June 30 last year as Hong Kong was handed over to China after 156 years of British rule.

China replaced Mr. Lee and his followers with a pliant group of pro-Beijing businessmen because Beijing opposed the rapid program of democratization undertaken by Chris Patten, the last British governor of Hong Kong.

Mr. Patten moved to increase democratic participation in Hong Kong in the 1995 poll by increasing the number of professionals eligible to vote in the Functional Constituencies races to 1.15 million. This year, under new rules written with China's guidance, that number was cut to 139,000.

The new rules generated some bizarre statistics. While opposition groups won only five out of 30 of the Functional Constituency seats, they got 68 percent of the approximately 80,000 ballots cast in that part of the election. One pro-Beijing candidate won in a Functional Constituency race by gaining only 26 votes because the number of eligible voters was so small.

Opposition candidates did not compete at all in one part of the election, in which 10 seats were chosen by a committee of 800 people, who were generally pro-Beijing. Under the British, those people had been appointed by the colonial governor.

Michael DeGolyer, an American political scientist who has been studying Hong Kong's transition to Chinese rule, said the high turnout was the most significant development. In 1995, 35 percent of registered voters cast ballots. In 1991, the first time Hong Kong directly elected some of its legislators, 39 percent participated. Mr. DeGolyer said



Martin Lee, leader of the Democratic Party, raising his fist in victory.

"revenge voting" and anger at Mr. Tung led to the increase this time.

People, he said, were voting against Mr. Tung's moves to diminish the use of English in schools and against his view

that Hong Kong had become too Westernized, too modern.

"Tung sounded like a Qing Dynasty official standing up in front of students telling that they had it wrong," he said.

Robert B. Tuckman, AP Stalwart, Dies at 85

The Associated Press

LONDON — Robert B. Tuckman, who covered the Korean and Vietnam wars in a 25-year career with The Associated Press, died in London where he lived in retirement, his family said Monday. He was 85.

Mr. Tuckman, who was diagnosed with a brain tumor and liver cancer several weeks ago, died Sunday night.

He spent two and a half years in Vietnam and, as the AP's chief correspondent in 1967-68, directed coverage of the Communist Tet offensive that shattered official U.S. claims that the war was being won.

He retired in 1969 to the Seychelles Islands, but soon tired of the slow pace

of life there and returned to London, where he lived for nearly three decades.

David Schneider, 77, Led Fight for Concorde

NEW YORK (NYT) — David Schneider, 77, who as an executive for British Airways led the successful fight to bring the supersonic Concorde to New York, died May 1 of cancer at his home in New York City.

A native of New York City, Mr. Schneider was the chief executive for the Americas at El Al Israel Airlines and before that a senior marketing executive at British Airways.

During the late 1970s, he headed the

lobbying campaign to overcome local opposition to New York landing rights for the Concorde.

Frank C. Montero, 89, Director of Urban League

OBERLIN, Ohio (AP) — Frank C. Montero, 89, a former associate executive director of the National Urban League, died May 8.

During his tenure with the league, Mr. Montero directed a foundation that brought African students to the United States. He also ran a program for the United States Mission to the United Nations to acclimate Africans and other delegates from developing countries to American society.

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EUROPE

Sinn Fein Rejects IRA Surrender of Arms

Agence France-Presse
BELFAST — Sinn Fein, the political wing of the Irish Republican Army, on Monday rejected calls for the IRA to hand over its arms, saying that decommissioning weapons is a "dead-end issue."

The rebuff to calls for the IRA to disarm came from the Sinn Fein leader, Gerry Adams, despite a resounding vote for peace in last Friday's referendum.

Under the peace accord backed in simultaneous votes in the Irish Republic and Northern Ireland, the IRA and other paramilitary organizations must disarm within two years.

Mr. Adams' deputy, Pat Doherty, said that those seeking to make capital out of the decommissioning issue were "going down a cul-de-sac."

"It is not the issue," he said. "The issue is the document that we voted for on Friday. Let's not be pursuing

dead-end issues." With preparations beginning now for elections in the province for the new joint assembly that will bring Roman Catholics and Protestants together for the first time, the decommissioning issue has come to the fore.

The votes north and south of the border in favor of the peace plan — 71.12 percent in Northern Ireland and 94.39 percent in the Irish Republic — have cleared the way to establish a 108-member body, which will be an essential part of the province's future government.

Under the agreement, Northern Ireland is to become semi-autonomous, remaining part of Britain but allowing Dublin a formal say in its future for the first time.

Britain's deputy secretary for Northern Ireland, Paul Murphy, said Monday that the decommissioning of weapons was an "indispensable

part" of the agreement. Unionists have said that they would not sit with Sinn Fein in a future assembly if its military branch did not hand over its arms.

Mr. Adams said that there were other issues as important, such as starting direct talks between Sinn Fein and moderates in the main Protestant party in the province, the Ulster Unionist Party.

The party's leader, David Trimble, who is likely to become the prime minister of the new-style semi-autonomous Northern Ireland, has refused to meet Mr. Adams.

Mr. Trimble's deputy, John Taylor, warned Prime Minister Tony Blair of Britain that the whole peace deal would "crumble" if the prime minister did not keep his promise to exclude from the assembly any party still linked to an armed group.

During the peace talks, Mr. Blair

promised that legislation would be drawn up with the proviso that parties must prove their commitment to non-violence before they could be represented in future assemblies.

Mr. Adams has stated that the terms agreed to last month in the peace accord cannot be changed. For his party, demilitarization must include the withdrawal of British troops stationed in the province.

He said that it was possible that the IRA could make "a gesture" over its arsenal to help the party enter the assembly.

John de Chastelain, head of the international supervising committee that will oversee the handing in of paramilitary weapons, said that procedures would be in place within a month.

He said, however, that it was vital that there was "movement early on" in the process to recover all weapons.

Kohl Gains Ground in Polls

But Opposition Still Holds the Lead, 43% to 37%

Reuters
BONN — Chancellor Helmut Kohl, who has made a career of death-defying political comebacks, has cut the gap with Gerhard Schroeder, the challenger, after his party rallied behind him last week, pollsters said Monday.

With four months to go to September's election, the Forsa and Emnid polling groups said Mr. Kohl had picked up a badly needed lift at the congress of the Christian Democratic Union in Bremen.

Pollsters said Mr. Kohl, who has been trailing Mr. Schroeder for months in his bid for a record fifth term, also benefited from fresh doubts about Mr. Schroeder's authority over the Social Democratic Party.

Party leaders in the eastern state of Saxony-Anhalt defied Mr. Schroeder recently to form a government relying on the support of the Party of Democratic Socialism, the reform Communists.

Forsa, in a survey of 1,971 voters conducted last week, found the Christian Democrats gained two points, to 37 percent, while the Social Democrats slipped two points, to 43 percent. Emnid's poll showed the Christian Democrats gaining two points, to 37 percent, and the Social Democrats steady at 43 percent.

The gains were the first solid upturn for Mr. Kohl's party since February and the opposition's lead is now at its narrowest point since March. Mr. Schroeder has led Mr. Kohl by up to eight points in many leading polls over the last two months.

"The big question is whether this is the start of a turnaround and whether the CDU will have enough time to catch up," Manfred Guellner, research director at Forsa, said.

"My best guess is that it is not yet a turnaround. The next three to four weeks are critical for the CDU. To have a chance to win in September, they are going to have to pick up at least four points by late June."

Mr. Guellner said Mr. Kohl's 1994 comeback had its roots at a similar party congress in Hamburg. But he said it took three months after the February 1994 congress for Mr. Kohl to catch up and a few months to pull ahead.

"It's questionable whether there is enough time for a comeback this time," Mr. Guellner said.

The Forsa poll put support for the Free Democrats, junior partners in Mr. Kohl's coalition, down one point, at 4 percent. Support for the environmentalist Greens, who want to form a coalition with the Social Democrats, rose one point, to 6 percent.

Bonn Spokesman Dismissed

The German government's chief spokesman, Peter Hausmann, has been dismissed from his post only four months ahead of the general election, Agence France-Presse reported from Bonn.

In a statement issued Monday, Chancellor Kohl's office said Mr. Hausmann had been placed in "temporary retirement." No reasons for the move were given.

"I thank Peter Hausmann for his unwavering loyalty in a difficult time, and I wish him all the best for the rest of his career," Mr. Kohl said in the short statement.

Mr. Kohl said that on his recommendation, President Roman Herzog approved Otto Hauser, a member of Parliament from the Christian Democratic Union, as Mr. Hausmann's replacement.

Mr. Hauser, 45, will continue his duties as a legislator while acting as the government's chief spokesman.

Mr. Hausmann, 47, had been chief government spokesman, which is equal to the rank of state secretary, since March 1995. He worked previously as a radio journalist before entering politics, joining the Christian Social Union, the Bavarian sister party of the Christian Democrats.

BRIEFLY

EU Agrees on Arms Exports

BRUSSELS — European Union governments agreed Monday to a code of conduct on arms exports aimed at curbing the supply of lethal equipment to authoritarian regimes that are likely to use them for internal repression or external aggression.

Under the code, EU governments have given a political, but not legally binding, commitment to refrain from issuing export licenses for arms if there is a "clear risk" they will be used in human rights abuses.

For the first time, the code establishes a set of common criteria that should lead to export licenses being refused.

The code also creates a mechanism for EU governments to consult and inform each other about such decisions in order to ensure that an ethical stance adopted by one state is not undercut by others. (AFP)

Bonn to Raise Nuclear Safety

BONN — Environment Minister Angela Merkel sought Monday to contain the political repercussions from a nuclear contamination scandal by announcing a 10-point plan to improve security and transparency in the system.

Mrs. Merkel, who faced calls to resign over revelations last week of contaminated German nuclear waste shipments, has been given the firm backing of the government.

"The loss of public confidence is considerable," Mrs. Merkel said. She said the new plan involved improved supervision of the shipments and communication between government officials and nuclear utilities. (Reuters)

Few Surprises in Italian Voting

ROME — Confirming past trends, Italians voted for mayoral candidates from an autonomy-seeking party in the north and center-right provincial leaders in Sicily, projections showed Monday.

Nearly 10 million people scattered throughout Italy voted Sunday in 519 mayoral elections and 12 elections for provincial president. The balloting is seen as having few consequences for the center-left government of Prime Minister Romano Prodi. (AP)

Swiss Bank Answers Critics

ZURICH — Switzerland's central bank expressed profound regret on Monday that it "unwittingly" bought gold that Nazi Germany stole from Holocaust victims, but added that it saw no need to make more amends for its wartime role.

"The National Bank regrets most profoundly that in accepting gold deliveries from the Reichsbank it may unwittingly also have acquired gold deriving from victims of concentration camps," the central bank said in a statement.

It was reacting to a report from an international panel of historians made public earlier Monday that showed that Hitler's central bank deposited 119.5 kilograms (263 pounds) of gold from death camps at the Swiss National Bank, more than the 37 kilograms mentioned in a U.S. government report last year.

The Swiss National Bank noted that it had already donated 100 million Swiss francs (\$68 million) to a humanitarian fund set up by banks and other private companies to help needy victims of the Holocaust.

"The report of the commission of experts contains no elements that would call for a fundamentally modified assessment of the National Bank's policy during the Second World War," the bank said.

"The governing board therefore considers the mea-

sures taken so far appropriate."

The historians' report said that the central bank, the biggest buyer of gold from the Nazis, made no effort during the war to ensure it was not getting gold stolen from Holocaust victims.

The report by an international panel appointed by the Swiss government confirmed that the Swiss National Bank bought gold worth \$280 million at wartime prices from the Reichsbank and handled further shipments to other banks.

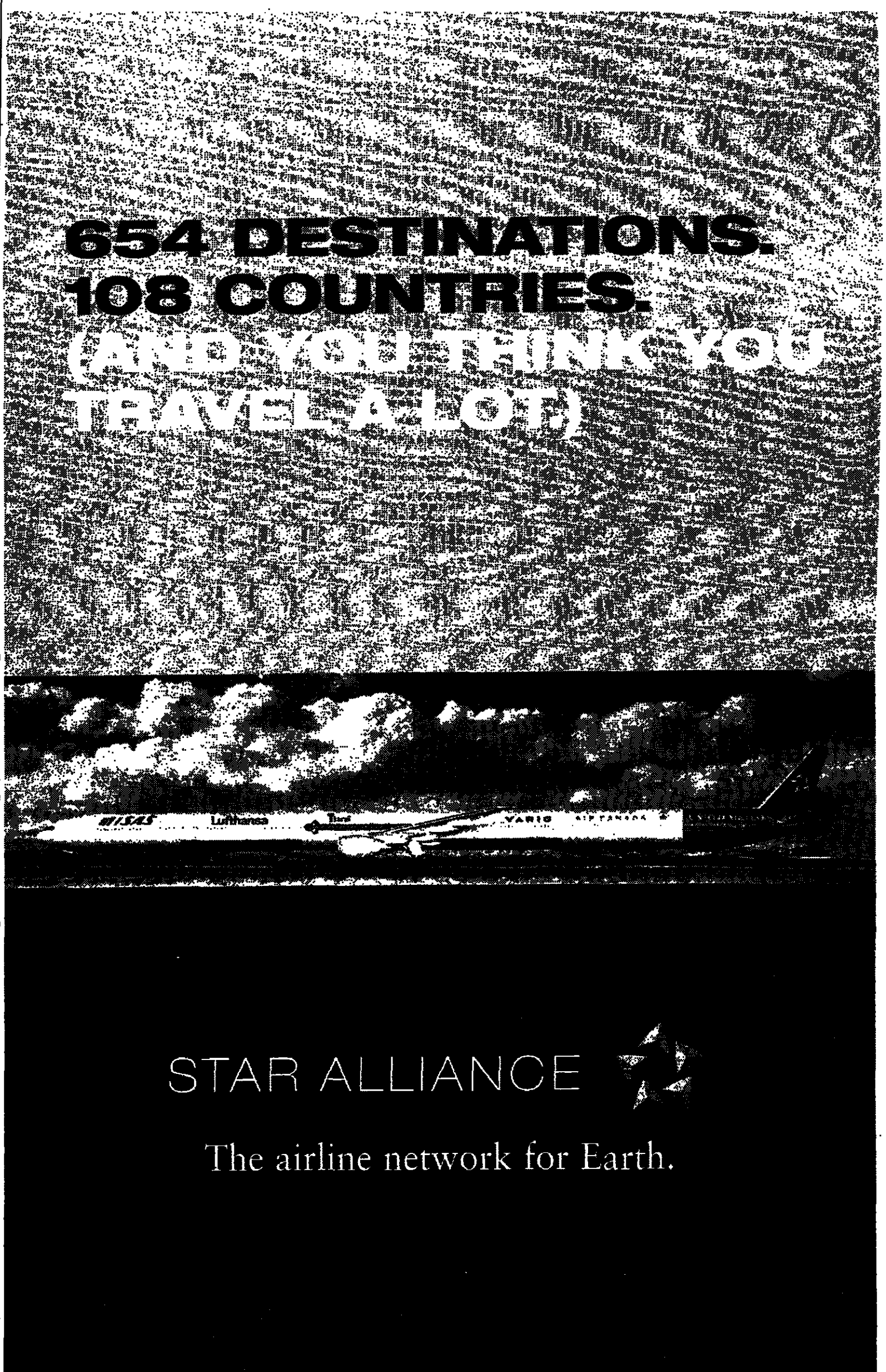
The gold the bank bought would be worth more than

\$2.5 billion today, officials have said.

The report said Swiss National Bank officials knew that Germany was stealing gold both from the central banks of occupied countries and from individuals, including Jews and other inmates of death camps.

"As of 1941, the board of governors became increasingly aware that Jews and other persecuted groups were being robbed, and in 1943 at the latest the SNB had knowledge of the systematic extermination of victims of the Nazi regime," a summary of the 190-page report said.

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Spain's 'Dirty War' Trial Starts

MADRID — A former interior minister, Jose Barrionuevo, and 11 others went on trial Monday, accused of being involved in a kidnapping linked to an alleged government "dirty war" against Basque separatists.

The Supreme Court trial stems from the 1983 kidnapping of a Spanish-born French business executive, Segundo Marey, — the first action of the shadowy Anti-terrorist Liberation Group, or GAL.

GAL was allegedly set up by the Socialist government at a time when the armed Basque separatist group ETA,

or Basque Homeland and Liberty, was particularly active. The GAL killed at least 27 suspected members of sympathizers of ETA between 1983 and 1987 in southern France.

Mr. Barrionuevo said he was not guilty as he arrived at the Supreme Court to take his seat on the first day of the trial. He was applauded by a few dozen supporters who had gathered outside. A crowd later insulted another of the accused, Jose Amedo, a former police officer, as he entered the courthouse on his way to becoming the first to testify in the hearing.

Mr. Amedo's implication of Mr. Barrionuevo during the investigative phase of the case played a major part in getting the former minister included among the dozen men accused.

In his testimony Monday, the former policeman retold his account of Mr. Marey's abduction in southern France after the business executive had been mistaken for a hitman of ETA, national Spanish radio reported.

Mr. Amedo also repeated his claim that Mr. Barrionuevo was fully aware of the details of the kidnapping, the radio said.

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EDITORIALS/OPINION

Herald Tribune

PUBLISHED WITH THE NEW YORK TIMES AND THE WASHINGTON POST

Habibie's Burdens

B.J. Habibie is only the third president in Indonesia's 50-year post-colonial history, but he assumes office with two heavy burdens that could make his tenure brief.

Mr. Habibie's first problem is Indonesia's months-old economic crisis. Touted only a year ago as a model of poor-country development, this archipelago nation of 210 million is growing poorer by the day. Its currency is worth a quarter of its 1997 value, factories have pretty much stopped working and unemployment is on the rise. Two weeks of political protest and one night of vengeful rioting have scared away whatever investors remained. Mr. Habibie has pledged to adhere to an economic restructuring program approved by the International Monetary Fund. But at best such a program will not bring the quick relief many Indonesians expect, and Mr. Habibie's record of support for state-sponsored industrial bonanzas has left many people skeptical of his reform credentials.

The new president's second burden, in a country agitating for more democracy, is his close association with the now discredited ex-president, Suharto. Mr. Habibie was an integral part of a corrupt and repressive regime, not only as a Suharto protégé but as an official whose family and close rela-

tives themselves control or partly own 80 enterprises, according to the Jakarta Post. His recent conversion to the cause of clean government and anti-nepotism again remains to be proved.

Yet many Indonesians seem ready at least to give Mr. Habibie and his new government a chance. The spasm of mob looting and arson that caused uncounted damage and sent expatriates fleeing frightened many people and left them welcoming at least an interval of calm. And even many democracy advocates say a period of economic stabilization should precede elections.

How long that period should be remains much in dispute. Some leading opposition figures, and even some members of Mr. Habibie's cabinet, are calling for a vote within a year. Other government officials seem to think that Mr. Habibie can serve the full five-year term Mr. Suharto recently had awarded himself. Either way, Indonesians will be looking for early and meaningful signs of political reform, including a freeing of political prisoners, an end to press censorship and the legalization of peaceful political activity by a broad spectrum of parties and organizations. A clear commitment to a transition to democracy would give Mr. Habibie his best shot at overcoming his handicaps.

—THE WASHINGTON POST.

Nuclear Neighbors

If Pakistan tests nuclear weapons, as many expect, South Asia will have a pair of hostile nuclear powers. While a nuclear standoff between the United States and the Soviet Union may have helped to keep the Cold War from becoming a hot war, Pakistan and India face a more unstable equation. Measures the superpowers employed to reduce mutual mistrust would be useful, but even their adoption would leave South Asia in peril of a nuclear conflict.

The United States and the Soviet Union were political adversaries that set up hot lines and summit meetings to make their conflict more manageable and predictable. The religious divisions between India and Pakistan—nations that have gone to war three times in 50 years—are more personal and visceral.

The superpowers were also fortunate to be separated by oceans, eliminating border tensions that could escalate into a crisis. For Pakistan and India, contiguity produces constant friction. The two armies often shoot at each other in the disputed province of Kashmir.

Anti-Muslim riots, which India has seen often, could also lead to a crisis. Unlike the superpowers, India and Pakistan will have small, poorly protected nuclear stocks. No nation in that

situation can be sure that its weapons could survive a nuclear attack. Each, then, has the incentive to launch a preemptive strike.

In addition, India and Pakistan have only rudimentary intelligence systems to help assess threats. Without sophisticated satellites to track enemy forces in a crisis, they may assume the worst. A missile would need only about 10 minutes to find its target, which adds to the pressure to launch missiles rather than wait and possibly lose them.

The two countries have hot lines, but these are not often used constructively even during crises. India and Pakistan agreed to notify each other of military movements and promised not to fly military aircraft near the border. But both nations routinely violate these rules.

Even with their advantages, the United States and the Soviet Union came close to a nuclear exchange several times. The most serious was during the Cuban missile crisis, but there were also several times when intelligence failures almost provoked a launch. It will be harder to avoid a confrontation in the atmosphere of mistrust, tension and irresponsibility that clouds South Asia today.

—THE NEW YORK TIMES.

Memorial Day

Part of the common experience of a dwindling generation of Americans is this: For two years, or three or four, more than a half-century ago, they awoke each day thinking of someone who was away at war, and with a dull fear in the back of their minds. Whenever an unfamiliar, official-looking car appeared on the block, their hearts dropped. If a military officer got out, they prayed it wasn't their door he was coming to. They knew the message he carried. Lives were being lost every day overseas, and others shattered all over the United States. The same experience, though on a lesser scale, was to be repeated a few years later, in Korea, and then again in Vietnam.

Memorial Day oratory does not have much of a following in these times. But perhaps a reminder of the day-in, day-out dread and sacrifice of wartime (both magnified many times for those in the fighting) carries meaning anyway. It brings home the reality of how much was given up: the presence of beloved family members, for years or perhaps forever; the security and well-being of families; community ties; livelihoods. For those of us who today measure sacrifice in promotions foregone to spend more time with the kids, or in driving a smaller car to make the tuition payments, it is useful sometimes to think of the real thing.

The loss and disruption of war has not, at least in the 20th century, been something we Americans marched in to with flags flying and drums beating. Our modern wars have been far away, and for causes not always well understood by all. Those who fought in them often did so reluctantly. Yet, al-

though they have been among the least coerced armed forces in history, they have given up their lives or health or futures because they saw it as their inescapable duty to honor the decision of their freely elected government—a decision that such sacrifice was justified and necessary. Today few of us are called on to give up so much; we owe our thoughts to those who were.

—THE WASHINGTON POST.

Other Comment

Kohl's Comeback

Half a miracle is better than none. Despite all his efforts, Helmut Kohl may well lose the German general election in September. But at least "the old warhorse"—as the chancellor proudly calls himself these days—has managed, against the odds, to convince his demoralized forces that victory is still possible.

After a fighting two-hour speech on May 18 at the congress of his Christian Democratic Union in Bremen, the chancellor won a 10-minute standing ovation and ceaseless chants of "Helmut! Helmut!" Even veterans of his 25 years as party boss, 16 of them as head of government, could not recall anything quite like it.

"The great chairman" treated the 1,000 delegates to a heady mix of idealism, pathos, irony—and Olympian disdain for his Social Democratic challenger, Gerhard Schröder.

—The Economist (London).

The Message in Indonesia: Retire the Rubber Stamp

By Adam Schwarz

WASHINGTON — Right until the bitter end, President Suharto still didn't get it. In a last-ditch effort to stave off calls for his ouster, Mr. Suharto dangled the prospect—frightening in his view and in that of many others—of having Vice President B.J. Habibie take over the top spot.

The gambit failed, not because others disagreed with his assessment of Mr. Habibie's political skills but because they found the prospect of Mr. Suharto's staying on still more frightening.

But if Mr. Suharto had understood better the reasons he was being forced out, he would have sought another solution. In his earlier, halfhearted attempt at resignation, on May 19, Mr. Suharto had taken a more sensible approach. By calling for new elections, he addressed the core problem facing Indonesia: the government's need to acquire a sense of legitimacy, a task that can only be accomplished by seeking a new, and this time genuine, mandate from the Indonesian people.

The mechanics of how Indonesia goes about this are up to Indonesians to decide. But it is clear, and has been for a long time, that the tightly managed process that has rubber-stamped Mr. Suharto's continuation in power once every five years is not nearly enough.

Mr. Suharto and the military lead-

ership are to be commended for achieving a constitutional transfer of power. But constitutionality goes only so far. The 1,000 carefully screened members of the People's Consultative Assembly, who last met in March, scrupulously obeyed constitutional norms in endorsing Mr. Suharto's wish to stay in power.

But as Indonesians in recent months have eloquently expressed, following constitutional formalities falls a long way short of conferring legitimacy. And the same sense of illegitimacy that eventually undermined Mr. Suharto's rule applies equally to President Habibie, whose selection as vice president in March was resisted even by many members of the otherwise compliant assembly.

Mr. Habibie comes to power facing a deep-rooted crisis in both the economic and political arenas. He does so with a limited base of support, an unimpressive reputation as an economic manager and a political image deeply associated with Mr. Suharto's now discredited authoritarian approach.

Tackling the economic crisis effectively will require a leader with genuine legitimacy. Sharp sacrifices lie

ahead for Indonesians, and they will not make them without assurances that sacrifices will be allocated equitably and in a way designed to benefit the nation as a whole. It is hard to conceive how Mr. Habibie can convince Indonesians on this score without testing his legitimacy in new elections.

In the meantime, Mr. Habibie will need to persuade a skeptical population that his presidency will not condone the sort of rampant corruption that marked Mr. Suharto's rule. Ensuring that Mr. Suharto's children repay the billions lent to them by state-owned banks would be a good start.

Mr. Habibie also needs to come out strongly against ethnic violence and convince the country's economically important and now deeply traumatized ethnic Chinese minority, much of which has long suspected Mr. Habibie of being anti-Chinese, that it has a secure future in Indonesia.

The military has a key role to play in reforming the political structure. The armed forces commander, General Wiranto, has wasted little time in consolidating his control over the military. His dismissal of Mr. Suharto's son-in-law, General Prabowo Subianto, from command of the Strategic Reserve is welcome news to many Indonesians who viewed General Prabowo

as the greatest threat to military unity. General Prabowo and his allies, some of whom are also likely to be shunted aside, had cultivated close ties with certain Muslim groups over the past year. Their abrupt removal raises the risk of a deteriorating relationship between the Islamic community and the military. The military needs to walk a careful line between justifiably opposing sectarian voices from certain elements of the Muslim community and unjustifiably returning to its past practice of suspecting all Muslim involvement in politics.

If Indonesia is to become more democratic, Muslim voices need to be heard and Muslim concerns need to be addressed. In a nation that is 88 percent Muslim, you cannot have one without the other. The military's best chance for avoiding a renewal of military-Islamic enmity is to lend its support to a well-thought-out but irrevocable process of political reform. A first step would be acknowledging the practical necessity of new elections.

The writer is the Edward R. Murrow fellow at the Council on Foreign Relations and the author of "A Nation in Waiting: Indonesia in the 1990s." He contributed this comment to the International Herald Tribune.

Hong Kong Votes With Its Feet for a Greater Voice

By Philip Bowring

HONG KONG — In this year of revolutions in Asia, even Hong Kong has not been exempted from a demand for political participation and a wider distribution of economic power.

Hong Kong's legislative elections had been widely seen as a three-way fight among democracy advocates, pro-Beijing allies of the administration and apathy. The outcome Sunday was more complex.

Apathy was the biggest loser, again disproving the insulting theory, much loved by foreign businessmen, that Hong Kong's people care only about money. Braving thunderstorms and flash floods, 53 percent of the voting population turned out, even though these voters could choose only a third of a legislature that itself would have limited power over a self-proclaimed "executive led" government.

The other two-thirds were elected indirectly or by narrow electorates, mostly representing business and professional groups.

The next biggest loser was the business sector, as represented by the Liberal Party. Although it

has the largest number of "functional constituency" seats—representing professions such as doctors, lawyers and teachers—the party failed to win a single directly elected seat.

The biggest winners were the pro-democracy candidates, mostly under the banner of the Democratic Alliance for the Betterment of Hong Kong, or DAB. Broadly speaking, the more outspoken they were, the better they did. They again showed themselves much more popular than pro-Beijing candidates.

But this divide into pro- and anti-Beijing groups is more complicated than it used to be. Beijing is the sovereign power, so there were none of the identifications with China or Britain seen in earlier elections.

Nor could the pro-democracy groups win points on the grounds that Beijing had been interfering in Hong Kong's affairs. Even Beijing's most strident critics have been surprised at its hands-off policy and blame any erosion of autonomy

on second-guessing by locals trying to ingratiate themselves by promoting "patriotism." The democrats also wisely steered clear of mainland politics.

The election showed above all that Hong Kong's people want more participation in government. They voted with their feet by just going to the polls. They want "Hong Kong people ruling Hong Kong"—Beijing's slogan—to mean something.

Whether they support or oppose Beijing-backed parties, they want the opportunity to influence events. That will keep up pressure to broaden the franchise. It also will strengthen the hand of those within the DAB who would like the party to be more identified with representative government and to avoid being seen as puppets either of Beijing or the administration of Chief Executive Tung Chee-hwa.

The result could lead to frustration if Mr. Tung's government ignores the populace, refuses to expand the franchise

and fails to acknowledge that directly elected members should carry far more weight than those elected by a few dozen insiders. But for the moment Mr. Tung can claim that people take the system, however flawed, seriously.

The second lesson of the election was that people want a government that listens more to the broad interests of the populace than to the particular interests of certain business groups.

It may not suit the stockbrokers and fund managers, but most Hong Kong people want lower property prices and a massive home-building program, not the high property prices favored by a clique of mega-rich developers.

Mr. Tung himself is torn between a desire to help his old pals the developers and popular demand, backed by the DAB, that he press ahead with housing plans regardless of their impact on developers' profits.

The populace also has shown its concern with a labor importation scheme pushed by the government despite fast-rising

unemployment. Business leaders want to make Hong Kong more competitive by depressing wages rather than by slashing still sky-high asset values or by investing in new skills—or by devaluing the currency.

The vote also showed the depth of public concern about the environment. Following various recent scares there is a sense that air pollution and abysmal standards of public hygiene have resulted from government surrender to the interests of small but influential groups. Real living standards of the majority bear no relationship to GDP data, which show per capita income higher than the European Union average.

There is thus in Hong Kong a low-key enactment of the interaction of political and economic demands that have generated change around the region. It is so moderate that even Beijing can be relaxed about it. But Hong Kong has realized that it must make the best of such democratic opportunities as it has.

International Herald Tribune.

In Britain, Memories of Japanese Barbarity Still Rankle

By Roger Buckley and William Horsley

LONDON — The state visit to Britain by Emperor Akihito of Japan that begins Tuesday will test to the limit claims of any British-Japanese "special relationship." Politicians and diplomats may boast about the role of Japanese investment in Britain's industrial renaissance, but British public opinion has not forgotten the Pacific war.

Tony Blair and Ryutaro Hashimoto want to promote the politics of reconciliation. Mr. Hashimoto stresses Japan's contribution to British business and hopes that the two countries can "go forward together."

But Toyota and Sony factories on "greenfield" sites cannot cancel out the barbarisms of the Thai-Burma railway or Singapore's Changi jail, where thousands of British prisoners died during World War II.

The state visit is being overshadowed by those harrowing memories. Former prisoners of war of the Japanese plan to insult the emperor by turning their backs on him as he goes to Buckingham Palace. A leader of the former POWs described the decision to invest Emperor Akihito with Britain's highest order of chivalry as a "kick in the teeth" to the veterans.

A group of ex-POWs is still pressing its demand in a Tokyo court for substantial financial compensation from Japan for the physical and mental injuries suffered. The former prisoners reject the stance of their own government that the compensation question was settled forever at the time of the San Francisco peace treaty in 1951

by the one-time payment by Japan of £76 each to survivors of the Japanese camps.

At the center of this row are Emperor Akihito and Empress Michiko. They were children when the war ended. The issue of imperial war guilt was quickly disposed of in 1945 by General Douglas MacArthur, the supreme Allied commander who took charge of Japan's occupation. His aim was to restore stability as quickly as possible. At his first meeting with Hirohito, Akihito's father, MacArthur dismissed the emperor's reported offer to take responsibility for the war and pronounced him "the first gentleman of Japan."

Japan suffered greatly after the collapse of its Asian empire. In the battlefields of the Pacific

islands, thousands of Japanese soldiers were burned alive by flamethrowers as they hid in caves. The firebombing of Tokyo was even more destructive than that of Dresden. It was followed in August 1945 by the first and only atomic bombings in history.

The Tokyo war crimes tribunal sentenced General Hideki Tojo and other wartime leaders to death. Hundreds of Japanese prison camp guards and other military personnel were executed for war crimes elsewhere in Asia.

The potential for embarrassment now is high because the emperor is constrained by the American-imposed postwar constitution, and by tradition, not to involve himself in politics. Whatever his own feelings, Emperor Akihito is unlikely to make a formal apology for the brutal treatment of the POWs.

In this combustible atmosphere, the vitriolic anti-Japanese campaign in some British newspapers has helped no one, certainly not the former prisoners. Yet it would be wrong to brush the war issues aside.

The British prison camp survivors are expressing feelings about Japan's responsibility that are widely shared in Europe and Asia. In the early postwar years, Japan paid reparations to many Asian countries, but in

recent years it has fought off the compensation claims of thousands of former "comfort women" from China, Korea and elsewhere, who were enslaved as sex workers for the Japanese imperial army.

There are other obstacles, too, including the practice of watering down the true picture of Japanese wartime atrocities in school history textbooks. The recent launch in Tokyo of a film about Tojo, extolling Japan's wartime leader as a nationalist hero, only compounds doubts about Japanese attitudes.

The emperor's state visit to Britain ought to be an occasion to celebrate a relationship that overall is in excellent shape. But more imaginative gestures are called for to settle the legacy of the past.

Japan and Britain might usefully look to an example from Europe, and copy the joint reconciliation fund recently set up by the German and Czech governments to support the victims of Nazism in their old age. Then both Britain and Japan could finally bury the past and really go forward together.

Mr. Buckley teaches history at Tokyo's International Christian University and Mr. Horsley is the BBC's European analyst. They contributed this comment to the Herald Tribune.

Canaries in America's Schoolyard

By William Raspberry

WASHINGTON — The recent rash of shootings by American teenagers has me thinking again about the wisdom of the canary analogy that the lawyer and scholar Lani Guinier has been pushing.

Canaries, with their fragile respiratory systems, were once used by coal miners to warn of increasing levels of toxicity in the air. Ms. Guinier says that racial minorities are America's canaries; their crime, their violence and their social dysfunction warn us of toxins in the social atmosphere.

So, perhaps, do individual youngsters like the 15-year-old Springfield, Oregon, boy accused in the shooting spree that left two classmates dead and two dozen injured.

The question is: What are we to do about what these teenage canaries are telling us?

Maybe the first thing we ought to do is remind ourselves that American violence is not exactly a new phenomenon. Lynchings certainly were acts of violence—and not just the snapping of one overwrought mind, either. Lynchings were the actions of mobs of people pushed into violence by often false or incomplete information. And you couldn't blame television.

The labor violence of the old days and the gangster wars

should remind us that violence is as American as apple pie. Not for nothing was the old West called wild.

Having said that, I do believe that these disturbed and disturbing youngsters really are serving as canaries.

The problem, though, is that we keep trying to use their warnings to figure out which particular children are likely to go berserk.

Suppose, instead of trying to predict which canary would be the next to succumb, we paid a bit more attention to the general level of atmospheric toxicity in the United States.

Our canaries are telling us that we Americans need to reduce not just the availability of guns but also our quick recourse to confrontation in every social or political disagreement.

We need (as Deborah Tannen reminds us in her new book, "The Argument Culture") to find less bellicose ways to describe our public actions. Enough "drug wars," "cultural battles" and "political warfare" financed by "war chests."

Politicians whose politesse used to increase in direct proportion to their philosophical

outrage now give full vent to the outrage. Social activists do not just disagree with their opposition; they speak and behave as though their opponents were the personification of evil.

Am I suggesting that ordinary incivility is partly to blame for the deaths of schoolchildren?

In a word, yes. I am saying that adult irascibility—from political intemperance to road rage—can poison our social and civic atmosphere as surely as methane poisons coal mines.

We keep looking for ideologically convenient targets to blame for what has gone wrong—the gun lobby, for instance.

I am appalled by the prevalence of guns, by the easy access to guns, by the quick recourse to guns. I think the National Rifle Association is out of its collective mind.

But I think a good part of the blame for what is happening to America's young people lies much closer to home. We behave in our civic and political lives as though anything goes, so long as it fits our side of the issues. And we are endlessly surprised when our children show themselves to be heartless losers, graceless winners, bitter losers, self-centered jerks—and occasionally killers.

The Washington Post.

IN OUR PAGES: 100, 75 AND 50 YEARS AGO

1898: U.S. Strength

PARIS — [The Herald says in an Editorial:] The very physiological conditions of Spain's present-day existence make against the possibility of her winning the fight. America's great strength does not come alone from numbers. It derives from the fact that the country is inhabited by a mixed race, by people strong, hardy, inured to the difficulties of existence in a new world, and in whom all the more determined and manliest qualities of European nations are found united.

1923: Women Debtors

PARIS — [The Herald says in an Editorial:] By the provisions of a Bill which has just passed the State Legislature, women of Pennsylvania may now be imprisoned if they do not pay their taxes. A law exempted "women, infants and persons of unsound mind" from imprisonment for

this offence. Opposition to the change was strong. Among those who fought against it were politicians who believe that with immunity removed many women will pay up and qualify as voters, and that the more women voters there are the poorer will be the chances for the variety of politics these statesmen practise.

1948: Prague Bishop

PRAGUE — The letter of Monsignor Beran, Archbishop of Prague, forbidding Roman Catholic clergymen to participate as candidates in Czechoslovakian elections, is the first controversial element with which the Communist government has been confronted in its effort to obtain near unanimity from the electorate. It may have been that the criticism voiced by the Catholic hierarchy in Poland and Hungary of the governments in those countries impelled Beran's letter.

Herald Tribune

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OPINION/LETTERS

In the China Connection, Two Paths Lead to Clinton

By William Safire

WASHINGTON — Think of "the China connection" as two-tracked. One track is the purchase of White House influence by U.S. aerospace corporations eager to sell advanced missile technology to China. The second is the plan by China to affect Clinton administration policy by directing money through various fronts into the Clinton-Gore campaign.

First track first. After a mere \$100,000 investment in the Democratic National Committee in 1994, Bernard Schwartz, chairman of Loral Space & Communications, was rewarded with a trip to Beijing by Ronald Brown's Commerce Department that led to a \$250 million telecommunications deal.

When one of China's missiles launched a Loral satellite failed, Loral scientists — without telling the U.S. government — prepared a 200-page report for China to improve its missile guidance.

The Pentagon objected; the CIA chimed in with an estimate later that China's nuclear missiles were aimed at 13 American cities. China's targeting had been made more accurate with Loral's unauthorized help.

This caused the Justice Department to launch a criminal investigation. That might have slowed down an ordinary company's future approvals to launch satellites on Chinese rockets, but Loral's Mr. Schwartz had purchased two tickets to the Clinton Ball.

One ticket was Loral's status as the largest contributor to Democratic campaigns. The other was a shrewd recruitment: In May 1995, Mr. Schwartz hired the National Security Council's press spokesman, Tom Ross, to be Loral's spokesman. Mr. Ross had worked closely for a year with Samuel Berger, now national political-security adviser.

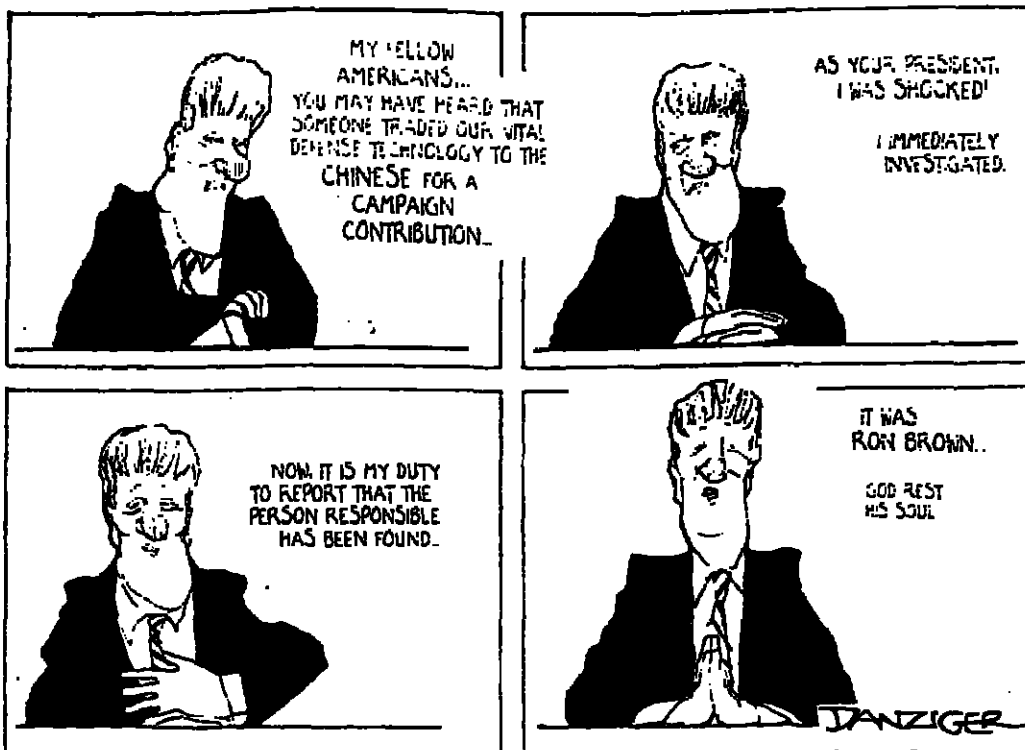
Mr. Ross's urgent calls to his former associate, Gary Samore, the complainant nonproliferation man at the National Security Council, moved the approval process along.

Just as Loral and Mr. Brown had been able to get President Bill Clinton to overturn a State Department disapproval years before, the company with the contacts was easily able to overcome the State Department's warning to the National Security Council that Loral's actions were "criminal, likely to be indicted, knowing and unlawful."

Thus did Mr. Clinton's favor to his contributor, Mr. Schwartz, undermine the Justice Department's case. The White House counsel, Charles Ruff, dismissed the objections of prosecutors because Attorney General Janet Reno did not make the call herself. (Her deputy, Eric Holder, is now trying to protect the White House by claiming that prosecutors were mistaken about their case being weakened.)

Result: Clinton ads paid for, Loral profits up, Chinese missiles more accurate, America's cities in greater danger. Small wonder that disgusted Democrats in Congress voted last week to slam the barn door on waivers.

Now to track two of the China



Connection. Johnny Chung, who handed a \$50,000 check in the White House to Hillary Clinton's chief of staff, is testifying that some of the money came from the Chinese military. The daughter of China's then-top commander denies she was the conduit.

Our doubters are now embarrassed because Mr. Chung's testimony confirms the wiretap evidence of a Chinese plan to influence American elections.

The Clinton defense is now that the president did not know the source of his Asian money. His venality is in not wanting to know.

Mr. Chung's evidence is part of a much larger mosaic: Mr. Clinton's money association with the Riady family in Indonesia, like Vice President Al Gore's with the fund-generating Buddhist temple, dates from more than a decade ago. The Riadys gave both money and advice about changing the early Clinton policy toward China. Their advice was taken.

We will learn more about Mr. Clinton's Asian sources and money methods in the trials of Charlie Trie and Maria Hsia, both Democratic fund-raisers.

If Representative Henry Waxman permits, we will learn about Ted Sioeng, an Indonesian businessman living in Los Angeles, from four witnesses whose testimony the Democrat of California has blocked.

And one of these years, we will get the full story from the man whom Bill Clinton and James Riady selected to be their agent at the center of the Commerce Department-Democratic National Committee fund-raising complex: John Huang.

On each separate but parallel track, Mr. Clinton probed for monetary help and asked no questions. China's leadership, through its many agents, dupes and business cutouts, eagerly responded and made the connection.

Should this compromised president go to Tiananmen Square on the ninth anniversary of the massacre of students there? Yes. He should hold up the picture of the dissenter facing the tank and honor the slain demonstrators lying beside their model of the Statue of Liberty. That would befit the representative of democracy and begin his own redemption.

The New York Times

Agog Over the Discovery Of Grandeur and Beauty

By Amy Hollowell

ST. DENIS, France — This was not supposed to be. The faces of these 9-year-olds were not supposed to beam like this, not here in this belt of weary suburbs worn ragged by social ills and left at century's end to hang precariously upon the svelte capital's eastern haunch.

But these 40 children, on a field trip from their school in the neighboring suburb of Montrouil, clearly were not concerned with what was supposed to be. On a

MEANWHILE

blustery spring morning, their wonderment was unmistakable: In the prickly drizzle and snarling wind, they stood wide-eyed before the grand edifice of the 12th-century St. Denis basilica rising impossibly high to the wet, gray sky.

A teacher issued a stern reminder that although this was indeed a great historical monument — until 1793, it had for centuries been the tomb of French kings — it was nonetheless a church and silence was therefore required of its young visitors. And so it was that these children of Catholics, Jews, Muslims, Frenchmen, Africans, Arabs, whites, blacks — the embodiment of a reluctantly modern France — quietly stepped as one into a landmark of Western civilization.

Once inside, everyone's excitement was difficulty contained in the dimness and hush. There was a barely stifled shriek of recognition when a group of girls scanning the vaulted ceiling spotted what they had learned would be there: delicate keystones anchoring the arches soaring gracefully far above.

The nave, too, was familiar, as was the stained glass, and they knew the Gothic from the Romanesque. They knew the 3d-century legend of the beheaded martyr St. Denis and they knew the great kings, from Dagobert to Louis XVI, once buried here. They knew so many things that their know-it-all guide at times seemed nonplussed.

They had learned it all in school, an unassuming neighborhood establishment not unlike a thousand other public primary schools throughout France. Which is why an American parent, herself a product of a fiercely

LETTERS TO THE EDITOR

India's Nuclear Growl

Philip Bowring makes an excellent argument ("But Why Shouldn't a Democracy Be Armed to Defend Itself?" *Opinion*, May 13) that India's nuclear tests should force the United States to confront its own principles and priorities, especially in its dealings with China and Pakistan.

But I find curious his assertion that "India is not specifically threatened by China." China holds 16,000 square miles of territory in Kashmir taken during their 1962

border war, with additional designs on Indian land. It has nuclear weapons and missiles stockpiled in the high ground of Tibet — well within striking distance of 400 million Indians living in the Ganges plain.

Moreover, China has been providing Pakistan with both missile and nuclear know-how for years. That India finds this threatening should come as no surprise.

I once asked Commodore Uday Bashkar, deputy director of the Institute for Defense Studies and Analyses, in New Delhi, why he thought America had essentially ignored

India for most of its 50 years of independence. He replied, "India is the dog that does not bark."

The dog is barking now.

STANLEY A. WEISS,
London.

Vote, but Not So Often

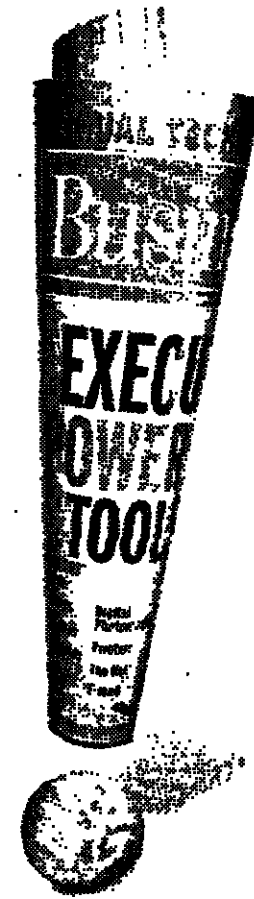
In all the commentary on U.S. campaign finance abuses and possible reform, one simple approach for reducing the problems has been ignored — fewer elections.

No other democracy has such a short

lifespan for its legislature. Even though incumbent congressmen are rarely defeated if they seek re-election, their two-year term produces a relentless, never-ending campaign and fund-raising cycle so exhausting and humiliating as to discourage people from seeking, or continuing to seek, office.

Why not hold federal elections only once every four years, with the White House, the full House of Representatives and half the Senate up for election?

JOHN V. WHITBECK,
Paris.



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INTERNATIONAL

How the U.S. Intelligence Community Got It All Wrong

By Tim Weiner and James Risen
New York Times Service

WASHINGTON — When American spy satellites photographed clear signs that India was preparing for a nuclear test in 1995, Frank Wisner Jr., then the U.S. ambassador to India, showed the photographs to top Indian officials in a successful effort to persuade them not to test. It was a triumph of intelligence and diplomacy's working together to stop the spread of nuclear weapons.

But some officials now say success sowed the seeds of the failure to anticipate India's five nuclear tests this month. Showing the photos to the Indians revealed how the United States had spied on the test site, they say, and thus enabled the Indians to conceal their preparations this time—for instance, by burying the cables and wires running into the shaft where they conducted the tests.

"You're showing your capabilities to

the very people trying to conceal things from you," an official said.

An investigation into the failure to foresee the tests asks, "Did we help them go to school in some way?" the official said.

A State Department official said such worries were baseless. But this dispute arises whenever the administration chooses to use secret intelligence to discourage Russia, China and other nations from spreading weapons technology.

On May 14, when frustrated senators interrogated senior intelligence officials behind closed doors about the U.S. failure to foresee the tests, it was already apparent that the failure was a team effort by the most senior policymakers, diplomats and intelligence officials. It followed months of misjudgments and miscalculations at the highest levels, many of the officials acknowledge.

"Look, we were wrong," Phyllis Oakley, the State Department's highest-ranking intelligence officer, conceded in

exasperation at the closed Senate hearing. "We were all wrong."

Despite clear signals from India's new Hindu nationalist leaders that they were bent on joining the club of nuclear powers, the administration's top policymakers came to believe the opposite.

India's nuclear ambitions have worried the United States since India conducted what it called a "peaceful nuclear explosion" in 1974.

But the Clinton administration, after a policy review last year, decided that India was poised to become a new Asian "tiger," and so foreign policy should stress trade and commerce.

Then the Hindu nationalists, the Bharatiya Janata Party, came to power on March 19, with the avowed intention to add nuclear weapons to India's arsenal. This set off a flurry of concern, but within days party leaders offered soothing assurances.

On March 26, a senior foreign policy adviser, N. N. Jha, told officials at the

U.S. Embassy that his government would review India's national security over the next three to six months and had no plans to test nuclear weapons before then. It was a message repeated to American officials throughout March and April.

On April 14, Bill Richardson, the chief U.S. representative at the United Nations, met with Prime Minister Atal Bihari Vajpayee and others, and came away persuaded that there would be no tests.

On May 1, comfortable with that belief, President Bill Clinton's national security adviser, Sandy Berger, raised the issue only briefly at a White House meeting with the Indian foreign secretary.

No one at the State Department, the National Security Council, the Pentagon or the CIA could offer any evidence to contradict the reassuring confidences.

"There wasn't a voice in the wilderness," a senior State Department official said. "There was nobody anywhere — no voices — saying, 'Watch out!'"

The Indians' denials were part of a sophisticated disinformation campaign, but they dovetailed with the administration's evident eagerness to believe that restraint would prevail. Since the Indians wanted to improve trade relations, the conventional wisdom went, it would not provoke a crisis by testing a nuclear weapon.

And in classified reports this year, analysts at the CIA, the State Department and the Defense Intelligence Agency even discounted the new Indian government's vow to go nuclear. So, the White House did not order a new broad intelligence review of India's nuclear program.

The CIA had failed to recruit any Indian spies with information on the country's nuclear intentions, government officials said. Moreover, the deputy station chief in New Delhi had recently been expelled for a botched attempt to recruit the chief of India's counterintelligence operations, further weakening the agency's abilities.

PAKISTAN:
New Civilian Power

Continued from Page 1

the army's "vigilance and readiness."

This restraint has not been shared by retired officers, many of whom rose through the military ranks in a period when the army made all major decisions in Pakistan. Several have attended rallies, given speeches and written newspaper columns demanding that the government begin nuclear testing.

One former army commander, Mirza Aslam Beg, said tests were the only way to "demonstrate all range and variety of our nuclear capabilities."

A retired admiral, Iqbal Qadir, said economic sanctions likely to follow a nuclear test "would not be unbearable" and asserted that "delay in our decision could cost us dearly."

Despite these calls, Mr. Sharif has made clear that although he will consult military commanders, he will make the final choice himself. One indication that the world has accepted this fact is that when foreign leaders urge restraint on Pakistan, they direct their calls to Mr. Sharif and not to anyone in uniform.

But the democratic horizon is hardly clear, although Pakistan seems to have rid itself of military involvement in political decisions, at least for the time being. Political bickering among the country's leaders, which has in the past persuaded the army that it had no alternative but to seize power, is still intense.

Benazir Bhutto, the opposition leader who is facing corruption charges stemming from her last term as prime minister, denounced the Sharif government this week as a "criminal mafia" interested in "nothing but tyranny."

Another trend that disturbs some civilians is visible in the countryside, where the army is being used ever more frequently for nonmilitary projects.

More than 200,000 soldiers were assigned to accompany census-takers during the national census in March. Others conducted a survey of districts where corrupt local officials were allegedly drawing government funds to support nonexistent schools and health centers. Hundreds of retired officers have joined local government agencies.

In some parts of the country, such as the northern state of Punjab, military units have been awarded contracts to build roads and other public works projects. Punjab's chief minister, Shahbaz Sharif, who is no relation to the prime minister, said military contracts are at least 30 percent cheaper because officers do not steal the way local officials and civilian contractors do.

"The government has been compelled to involve the army in civil work because of the dismal performance of the government departments," Mr. Sharif said.

Some commentators fear that decisions to use soldiers in this way will encourage military commanders to believe that civilian authorities are incompetent, slowly rekindling the army's now-dormant ambition for power.

"They fuel dangerous ambitions in the hearts of soldiers," a Pakistani magazine said this month. "In a country like Pakistan, where the army has repeatedly justified extra-constitutional adventures in terms of the civilian authorities' failure to discharge their responsibilities, nothing more needs to be said."

PREJUDICE:

Voiced in Indonesia

Continued from Page 1

and peasants feel about the Chinese. Now, if political freedoms come to Indonesia, one possibility is what has been called an "illiberal democracy" — a system where the majority rules and decides quite democratically to oppress a minority.

If Indonesia becomes more democratic, policy-making may be based not on the considered views of the cosmopolitan ruling class in Jakarta but on the simmering anger of people like Arudji Sutanjo, 38, a businessman.

"Our blood will never mix with Chinese blood," Mr. Sutanjo said earnestly over coffee in his living room.

"Actually, we hate the Chinese, but we couldn't do anything about them before, because they were protected by Suharto. But I don't think they will be protected any more."

"We should send all the Chinese men back," he added in a genial tone. "The women can stay and marry Indonesians, and then the Chinese race here will disappear."

"And if they convert to Islam, then they can stay because they will change. Because Chinese who convert do not act like Chinese. They are not arrogant and they do not swagger."

It is difficult to gauge how many people think this way, because just a week or two ago it was a forbidden topic. Now, the press has become more open, but nobody knows what the rules are.

Just this weekend, Indonesia's leading newspaper, Kompas, suggested in the course of a long article that the taboo on public discussion of the Chinese in Indonesia should be lifted.

It also quoted Proboutedjo, a leading Indonesian businessman who is Mr. Suharto's half-brother, as urging that a new legal structure be established to discriminate against ethnic Chinese in business.

Attitudes toward the Chinese seem to be hardening because of the nation's economic distress.

Here in Gresik, people complain about the rising prices with more passion than they discuss the fall of Mr. Suharto.

"My expenses are up, because I'm staying at a place where I can't cook and I have to eat street food, and the prices have gone way up," complained Muri, 38, who runs a portable arcade. He carries around a duffel bag full of electronic games and charges children the equivalent of a penny to play for five minutes.

"I have fewer customers now," Mr. Muri added bleakly.

"Maybe that's because parents are giving their kids less pocket money."

Indonesia already has some of the most racist laws anywhere in the world, all directed at the Chinese minority. Chinese-language schools are banned, Chinese-language materials are forbidden and it is illegal to celebrate Chinese New Year.

Any further tightening or expulsion is unlikely in the immediate future. Indonesian politics are still dominated by an educated and relatively tolerant elite, and the likely contenders for president have never given signs that they might seek to exploit Indonesia's racial issues.



The labor leader Muchtar Pakpahan, left, and Sri Bintang Pamungkas, a former Parliament member, waving from a balcony in a Jakarta prison before they were released early Tuesday under a presidential amnesty.

INDONESIA: Moves Toward Reform

Continued from Page 1

sentenced in 1996 to 34 months for insulting Mr. Suharto during a lecture in Germany, were released from the Cipinang prison in Jakarta after a presidential decree granted them amnesty.

Justice Minister Muladi said that the release of other political prisoners was under consideration, and that the most likely candidates were those jailed for protesting human rights violations.

The government also announced plans to overhaul the judicial system to make it more independent, and — in the most dramatic evidence yet that the Suharto era is over — to begin severing the government's close links with the businesses of the former president's children and cronies.

Meanwhile, the armed forces commander, General Wiranto, announced Monday that his wife and daughter were resigning from their appointed seats in the consultative assembly, the largely rubber-stamp body that meets every five years to select the president.

At the same time, the armed forces said a preliminary investigation into the shooting of six students at Trisakti University — an incident that touched off violent riots and ultimately led to the fall of Mr. Suharto — revealed that eight were involved in the shooting and that six officers were "suspected of supporting the incident."

There were also reports that the government was preparing changes to regulations that would free up labor organizing activities, in an effort to bring Indonesia into compliance with the standards of the International Labor Organization.

Even Indonesia's long-cowed press is feeling the change, with newspapers becoming more aggressive in their coverage, and more critical in their editorials. Aristides Katoppo, a veteran newspaper editor, said, "It's like being in a closed room, and the first time having some oxygen."

When Mr. Habibie took over Thursday, he faced widespread skepticism over his commitment to reform, and many here openly predicted that his tenure in power will be short-lived. But Mr.

Habibie now clearly seems intent on seizing the initiative on the reform issue and demonstrating to his critics that while he may be a product of Mr. Suharto's authoritarian New Order regime, he is willing to break with the past and usher in a more liberal, democratic future.

His latest moves come in response to domestic and international pressures. The movement that toppled Mr. Suharto had lately focused on Mr. Habibie, giving him breathing space to carry out change but also vowing to keep up the pressure until he did. Mr. Habibie is also believed to be under strong pressure from the country's armed forces, whose top leadership has voiced support for reform.

Overseas voices have also called on Mr. Habibie to recognize the need to drastically restructure Indonesia's authoritarian system.

Perhaps with an eye to his international audience, and to securing further international assistance as he tries to lift the country out of its worst economic crisis in decades, Mr. Habibie announced his plans just ahead of the arrival of a high-ranking team from the International Monetary Fund that will begin negotiating the terms for the release of the latest installment of a stalled \$43 billion bailout package.

Of all the measures unveiled Monday, the most far-reaching were the reports from the cabinet meeting that Mr. Habibie plans to rewrite the election laws to free up political activity and lead this sprawling archipelago toward general elections well before the end of his legal term in 2003.

From the time Indonesia's first president, Sukarno, introduced his "guided democracy" in the 1950s and began tightening the allowable circle for political debate, until Suharto came to power in 1966 and crushed politics entirely under his New Order regime, Indonesia has known only one-man rule with only a facade of democracy preserved through three officially-sanctioned parties.

But now that Mr. Habibie appears set to revive politics here, it remains uncertain exactly what form the pluralism will take, or how this diverse and multicultural nation will take to multiparty politics.

EMPIRE: New Government Begins to Chisel Away at Suharto's Corporate Kingdom

Continued from Page 1

tribution in Indonesia, a substantial stake in every oil and gas field in the country, and a major share in the billions of dollars in annual export revenues that they generate.

The Suharto family's business interests are prominent in virtually every sector of the economy. Some estimates say the empire was worth at least \$40 billion before many of its operations were hit by the currency turmoil and economic downturn that helped to bring the former president down amid charges that he and his relatives were guilty of graft and nepotism on a grand scale.

Indonesian newspapers reported Monday that the Jakarta city government had canceled contracts for the supply of drinking water with two other firms tied to the Suharto family and would seek the return of money made under the deals.

The Jakarta Post said that the city administration vetoed the agreements on the grounds that their award in 1995

without an open bid on the instructions of a former public-works minister under Mr. Suharto "stank of corruption, collusion and nepotism."

Although Mr. Habibie is a longtime friend and protégé of Mr. Suharto, he and his government are under international and domestic pressure to clean up the Indonesian economy and open the previously murky relationship between government and big business to public scrutiny.

The International Monetary Fund has made clear that implementing such reform is a condition for speedy resumption of a package of emergency loans worth \$43 billion. Indonesia needs the money to buttress its foreign exchange reserves and strengthen the value of its currency, the rupiah, so that many heavily indebted companies and banks will not collapse, crippling the already severely strained economy.

An IMF team headed by its Asia division chief, Hubert Neiss, is due to arrive Tuesday in Jakarta to review the

situation and hold talks with the government.

In a speech to his cabinet Monday that was later released to reporters, Mr. Habibie said that "we must honestly admit that our success in overcoming the economic crisis depends largely on foreign loans, especially to finance imports of raw materials and spare parts."

"The revision of laws in the economic field needs to be accelerated, including to abolish monopolies and oligopolies, and boost fair competitiveness," he added.

Mr. Kuntoro said that he was planning a thorough review of all Pertamina's shipping and trading contracts, starting with PT Perta and PT Permindo, whose contracts expire in June.

The two companies are affiliates through which Pertamina trades on the international market in crude oil and refined products.

Perta is 70-percent owned by a business consortium, which includes the Humpuss Group, controlled by Mr.

Suharto's third son, Hutomo (Tommy) Mandala Putra, and several tax-free foundations linked to Mr. Suharto, Reuters reported.

Permindo is 65-percent owned by a group called Mindo Petroleum, partly owned by Mr. Suharto's second son, Bambang Trihatmodjo, and the former president's cousin, Sudwikatmono.

Mr. Bambang's publicly traded company, PT Binantara Citra, also does business with Pertamina, analysts said.

The second blow to Suharto family business interests — the apparent loss of the water supply contracts for Jakarta — involved two joint venture firms, PT Garuda Dita Semesta, whose partner was Lyonnaise des Eaux de France, and PT Kekar-Thames Airindo, which was working with a subsidiary of Thames Water PLC of Britain.

In the markets, the benchmark Jakarta Stock Market composite index fell 5.59 points, or 1.26 percent, to 439.55, as the value of listed companies linked to the Suharto family plunged.

Convicted Nurses
To Sue Victim's Kin

The Associated Press

DUBAI, United Arab Emirates — Two British nurses plan to sue the brother of the Australian woman of whose murder they were convicted in Saudi Arabia, their lawyer said Monday.

The nurses, Deborah Parry and Lucille McLachlan, were released Wednesday from a Saudi jail after King Fahd commuted their sentences in the 1996 murder of Yvonne Gilford.

Miss Parry, who was convicted of murder in the case, escaped execution when Miss Gilford's brother Frank spared her life in keeping with Saudi Arabia's Islamic law. In return, Miss Parry agreed to give him \$1.2 million in "blood money" but since returning to England has refused to hand over the money.

Miss McLachlan was convicted of being an accessory in the murder.

HUNGARY: Youthful Front-Runner to Lead Conservative Shift

Continued from Page 1

Anger over the government's shortcomings — such as increased crime and allegations of corruption — became the domain of the right. Inquiries, real and imagined, made for powerful planks.

If Hungary had turned the corner on its Communist past — especially by recently qualifying for possible membership in the

North Atlantic Treaty Organization and the European Union — why did so many of its leaders look the same as 10 years ago, the opposition asked consistently.

And if this was democracy, they rallied, why were the most powerful figures in society — in government and in private business — the same people who had controlled life under communism?

Mr. Csutka's name-calling disgusted

many, scared some but clearly had an impact on the electorate. The Hungarian Justice and Life Party attracted 5 percent of voters and qualified for Parliament.

The Hungarian Civic Party, the mainstream conservative party, won a lion's share of the protest vote. The Civic Party won 148 of the 386 seats in Parliament. The Socialists were left with 134.

Over the past year, Mr. Orbán had vowed that 1998 would be a time of calculated upheaval in Hungary, now well on the path to Western integration. He and the Civic Party had been preparing for more than eight years, he said, and they and the country appeared ready to shake things up.

Mr. Orbán never quite admitted that he was ready to take on the job of prime minister — "I'm not that old," he protested in November — but he clearly believed that Mr. Horn was vulnerable.

This month, after the first round of balloting, Mr. Orbán was quick to ally fears that Hungary could jump from the track of reform. He assured investors that Hungary would rearrange some social priorities but would not veer from larger economic goals.

But Mr. Orbán made many promises during the campaign, some of which appear nearly impossible to implement. He presented an economic program that envisioned a hefty 7 percent growth in gross domestic product — compared with the



Viktor Orbán at a news conference.

current 4 percent rate — that was criticized by some Western analysts as unrealistic. He also promised reviews of privatization contracts and increases in social benefits that prompted speculation about his sincerity.

Mr. Orbán rebuffed the naysayers, including analysts who on Sunday night said the Hungarian Civic Party had surpassed its wildest political hopes — about four years sooner than it had expected.

Was Mr. Orbán, they asked, ready for a mad scramble of the entire right wing demanding a role in government? "We're ready to assume power," he said.

South African Reversal on Journalist

New York Times Service

JOHANNESBURG — After months of refusing to let an award-winning journalist return from the United States to fight a deportation order, the South African government abruptly and without explanation reversed itself Monday.

The journalist, Newton Kanhemba of the Sunday Independent, was on the verge of being rendered stateless. He is a Zimbabwean citizen working in South Africa but visiting America on a journalism fellowship. His American visa runs out May 31; the South African government had threatened to arrest him if he returned, and he would not, he said, be able to find work in

Zimbabwe because he was dismissed from a state-owned newspaper there for interviewing an opposition leader.

Advocates of a free press are watching his case closely, saying the South African government appears to be trying to chill freedom of the press by deporting a journalist who has angered Deputy President Thabo Mbeki. Former President Jimmy Carter has raised Mr. Kanhemba's case with President Nelson Mandela.

In March, Mr. Kanhemba was named African Journalist of the Year by CNN, and has won a Knight Fellowship to study at Stanford University next fall.

MILITARY: Plugging Peacekeeper Gap

Continued from Page 1

overseas. This month the army alone has 33,944 soldiers on temporary duty in 81 foreign countries. Most are on peacekeeping missions or training exercises.

At the same time, the kinds of duties that normally fell to Reserve forces — like civil affairs, psychological operations and community building — became more important in the military's new peacekeeping role. Of the roughly 200 American civil-affairs officers in Bosnia, only one is in the regular army.

"No one in this building saw something like Bosnia coming," said a senior Pentagon officer. "But with the Guard and Reserve, we absorbed it and are doing all right. Well, we're not limping real badly. But I don't think we could easily handle another Bosnia or anything like it now and still be ready for a major conflict."

One of the reservists now serving in Bosnia is Chief Petty Officer Milinda Jensen of the U.S. Navy.

The other day, she straightened the shoulder holster strapped over her camouflage uniform. She tugged the 9-millimeter Beretta automatic pistol hanging from one side, and on the other side pulled down the two ammunition cases, each holding 14 rounds. With that, she began to lead a classroom of 12- and 13-year-olds in boisterous games and then described

a day in the life of an American family. As she showed the children photographs of her family on vacation, Marko Katic, 12, son of a leader in the hard-line Bosnian Serb political party in Lukavica, jumped to his feet. "My dream has always been to have a vacation in Yellowstone Park in America," he said in halting but energetic English.

Chief Jensen was plucked from her civilian life as a public school teacher in Virginia and assigned to help run a NATO public information center in Bosnia. She was in the classroom on her time off because she wants to learn about the Bosnian people and wants them to learn about the United States.

When she became one of the 3,500 reservists and members of the National Guard currently mobilized for Bosnia — about one-third of the U.S. force in the country — she was given little choice of whether to go or what her job would be. But while some of her colleagues resent having been called up, Chief Jensen, 43, represents what the Pentagon hopes to find among the ranks of Americans in the Guard or Reserve, who it says must now be mobilized for lengthy missions overseas.

Chief Jensen switched to the Naval Reserve from active duty, and her husband is a navy retiree. They live with their 17-year-old daughter in Norfolk, Virginia. "As a family we are used to this," she said. "I like the adventure."

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PAKISTAN: New Civilian Power

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BUSINESS TO e-BUSINESS: EDUCATION

EDUCATION IN THE INFORMATION SOCIETY: REVOLUTION OR EVOLUTION?

It doesn't matter whether you call it a revolution or an evolution; the educational experience is changing, says Sean Rush, general manager of IBM global education industries solutions unit.

As terms like "Information Society," the "Global Information Infrastructure" and "knowledge workers" enter everyday vocabularies, educators are grappling with some fundamental issues: What does it mean to learn? How can education prepare pupils for the 21st century? Can the classroom experience be replicated digitally? Should it be?

The bottom line: human interaction
"Learning is what education is about, and technology won't change that," says Mr. Rush. Technology at the service of education will be applied differently in different situations and different countries, he maintains, but "the bottom line is good teachers and good students interacting."

Beyond that basic premise, educators, administrators and technology experts can all cite examples of academic gains, intellectual growth, skill building and community development as a result of access to network computing.

Network computing can enhance access to resources, program delivery, outreach and student interaction.

Access includes, but is not limited to, the World Wide Web and its multimedia capabilities; delivery encompasses networks, cable, satellites, CD-ROMs,

telephones and more traditional vehicles such as the mail system; outreach means that schools may seek students in the real world rather than waiting for them in the classroom; and student interactivity recognizes the fact that learning with technology tools fosters collaboration and communication.

"Technology is not just bells and whistles for education. It is an integral part of the process of education today," says Ahmet Aykac, director of Theeues International Management Institute in France, a graduate school specializing in technology management.

From teaching to learning
His institution and thousands of others worldwide are interweaving technology tools into the academic environment, shifting the focus from teacher to learner. In the process, the role of teachers is changing, guiding students as they discover information through Internet linkages and other resources.

"Many students meander and tinker, learning in a non-linear, nonsequential way," explains Mr. Aykac, who has observed the process and evaluated the results with kindergarten students as well as MBA candidates in their 30s. "Technology allows this to happen more easily."

Not all teachers are comfortable in using these new tools, so Lotus has developed a package of easy-to-use solutions called LearningSpace, based on Lotus Notes. Diana Oblinger, manager, academic programs and strategy,

IBM global education, compares it to familiar instruments in the academic environment:

• **Syllabus:** Where the teacher creates and posts the course outline.

• **Media center:** Where the teacher stores resources, readings, video clips and simulations.

• **Course room:** Where interactions take place. "It is like an indented outline for the teacher," says Ms. Oblinger, and it includes space for classroom groups to work independently.

• **Profiles:** Where background on students can be consulted by all members of the class. Information on guest speakers and personalities being studied can also be posted here.

• **Assessment:** Opinion polls on topics under discussion can be conducted here. Tests can be taken and the results posted.

"Teachers don't want to reinvent the wheel on technology," explains Ms. Oblinger. LearningSpace helps them by putting the emphasis on "how to teach, not how to program."

Primary and secondary schools
Teaching with the help of computers is becoming commonplace in American schools. Europe's almost 70 million pupils in primary and secondary school, and its 4.5 million teachers, have been slower to enter the information age — although there are wide variations in Europe, as there are among U.S. school districts. For ex-

ample, in Finland, 90 percent of schools are network-equipped; in France, the number is less than 10 percent.

But that is changing. In October 1996, the European Commission launched an action plan called "Learning in the Age of Information." It is fostering the development of an on-line European school network, encouraging the development of multimedia educational products, training teachers in the new technologies and informing parents and the community at large about these new tools.

In France, where the population is already familiar with on-line connectivity thanks to the Minitel, the Ministry of Education announced a 16.5 billion franc (\$2.75 billion) program last November to connect every French school to the Internet. IBM is a partner to the ministry in this program, which includes consultation, the supply of computers and Lotus software, project development and evaluation.

One initiative already under way is called La Main à la Pâte. It will bring the expertise of scientists, including Nobel laureate Georges Charpak, to an eventual 350,000 elementary school classes through simple on-line experiments and supplemental information for teachers.

The Internet not only enriches instruction in traditional settings, but can also enable communication with students out of normal classroom reach, such as children living in isolated rural communities. Education analysts Ellen Julian and Christiane Moretti of In-

ternational Data Corp. talk about "the tyranny of distance" in countries like Canada, Australia and India, where education on-line "can make a major difference."

Then there are special cases, such as the ski students in the French Alps, whose sports regime makes regular classroom attendance difficult. IBM worked with the Rhône-Alpes region to equip these athletes with portable computers so they could keep up with their lessons while in training. The skiers did more than keep up: they performed better than their classroom-bound counterparts.

Teachers and students are not the only significant factors in children's education, of course. Equally important are the students' families and communities.

Dan Lau, an educational consultant to Arthur Andersen, notes that parental involvement is one of the best predictors of academic performance. Using the Internet to encourage interaction with parents can contribute to higher levels of scholastic achievement.

Bridging a gap between schools, homes and communities is one of the goals of "Reinventing Education," an ambitious program launched by IBM in 1994. Its purpose is to encourage innovative solutions to some of American education's most pressing problems.

In the next year, some of the Reinventing Education initiatives will be introduced outside the United States, says Mr. Rush. First on the list is a program called Wired for Learning,

which brings parents into closer contact with the classroom.

A lifelong pursuit
Not only is education becoming more "learner-centered," but it is also becoming a lifelong pursuit, says Carl Sero, education manager, Europe/Middle East/Africa for IBM. "Lifelong learning brings with it the concomitant need for flexibility in education."

Studies by the Organization for Economic Cooperation and Development bear him out. The OECD has found that the age of students has become more varied, with a growing tendency to intersperse work and study in a lifelong pattern of learning.

Student populations are also larger and more diverse. Today, there are only five countries in the OECD where 75 percent of the working age population are upper-secondary graduates. By 2015, this will be true in more than half of OECD countries.

Because technology makes it possible to reach children in remote locations or older students physically or financially out of range of traditional classrooms, "the revolution in education lies here," says IBM's Mr. Rush. "Now education is possible where it wasn't possible before."

"If you consider the way information technology is being used for education, it is evolutionary," adds Mr. Sero. "If you consider the way IT affects the way we think about education, it can be revolutionary."

PUTTING LIBRARIES ON-LINE

No physical library is more open than the Internet, which is sometimes described as the world's greatest library — but one in which all the books are lying about at random, with no system for locating the volume you need.

School and university libraries understand that the emergence of vast repositories of educational materials calls for new capabilities for storing, searching, retrieving and managing digital information.

In an IBM-sponsored study on higher education in eight European countries, more than 80 percent of respondents said they saw finding information technology solutions as a priority for improving library resources and access.

School libraries that are digitizing resource material are able to store more information, access it more easily and distribute it more widely and cost-effectively. Most American universities already have or are in the process of putting their card catalogs on-line.

For example, the Florida Center for Library Automation (FCLA) is embarking on a project to extend the electronic card catalog to provide access to electronic journal articles on-line. The FCLA currently serves more than 205,000 students and 9,000 faculty at 10 state universities throughout Florida. The current electronic card catalog contains approximately 17 million journal articles.

The new system will deliver an electronic copy of the material requested directly to the students' desktop computers, facilitating research for students working off-campus or after regular library hours.

Because multimedia archives are growing in libraries, IBM's Digital Li-

brary solutions encompass them as well.

The Variations Project at the Indiana University School of Music is one of the first large-scale multimedia library projects for the distribution of digital audio and video information across a campus network.

Students are able to access recordings, musical scores and other on-line databases and information services related to music. The development of musical score

the library will integrate local resources (course materials, journals, exam papers, e-mail addresses), resources held elsewhere and authoring tools so faculty can develop courseware and their own electronic resources for students.

The National Library of China in Beijing, the Hong Kong Institute of Education and the National Museum of Ethnology in Osaka are among a growing number of Asian institutions using IBM



Welcome to Desktop U!

As the educational experience shifts from a teacher-centered to a learner-centered model, network computing is providing new ways of accessing resources, delivering programs and fostering interactivity among students, teachers, families and the community.



databases and access to musical score notation is planned for the future.

In addition, the School of Music intends to expand services to include the other IU campuses throughout the state and eventually to share out-of-print and hard-to-obtain collections with other universities around the world.

In the United Kingdom, IBM is working with De Montfort University to develop the country's first on-line digital library, based on a purpose-built IBM super-computer. When completed,

Digital Library technology. The National Library of China in Beijing, Asia's largest library, has been working with IBM to digitize hundreds of thousands of documents spanning more than 5,000 years.

IBM is also participating in the first Asia Pacific Digital Library Consortium, consisting of members from leading institutions in China, Japan, South Korea and Taiwan, to identify, define and promote standards for the growth of federated digital libraries throughout the region.

SHARING COMPUTER POWER

The Internet was developed as a research tool for U.S. academics in the early 1980s, so it is not surprising that research remains a driving force on the network today.

High-performance computing and simulation dramatically reduce the time it takes to solve critical research problems. The costs of research are equally dramatic.

In the United States, university research spending totals about \$20 billion a year, with funding coming primarily from government sources but also from corporations, foundations and the sources of the educational institutions themselves.

One cost-effective technique is parallel processing, which allows two or more processors to

execute simultaneous, coordinated subsets of the same program, significantly reducing the turnaround time of numerically intensive programs. Networking makes it possible for researchers in dispersed locations to take advantage of this power.

At Pennsylvania State University in the United States, for example, researchers' workstations have been tied together so everyone can share computing power. More than 50 workstations located in 10 departments and 17 research groups compose the Penn State cluster. According to Kevin Moroney, manager of the numerically intensive computing group, "The beauty of clustering technology is that it allows us to create a

virtual resource. Each researcher perceives that there is more computing power available without having had to give anything up — a win-win situation."

At the University of Karlsruhe in Germany, IBM has helped install a distributed computing environment with the largest memory of any parallel system in Europe.

In the Netherlands, SARA (Stichting Academisch Rekencentrum Amsterdam) worked with IBM to develop its parallel processing capacity. SARA can simulate or analyze complex processes that would not have been technically or economically feasible without the clustering technique.

As the Internet becomes crowded with e-mail and entertainment, educators and corporations, including IBM, are developing a high-speed Internet2 reserved for the network's original raison d'être: research.

"The 'one size fits all' Internet that is currently in place must be overhauled to support a greater range and variety of uses," says Graham Spanier, president of Pennsylvania State University and chairman of a U.S. commission on information technologies for universities. "Both low-end and high-end services are needed, and they should be made available in the marketplace with prices and costs appropriate to their intended uses."

TOP MARKS FOR SMART CARD

All smart cards are smart, but some of them are smarter than others," says Simon Nutt, worldwide sales manager of IBM's global smart card solutions unit. "Dumb" smart cards, he explains, are those with stored value and are the most widely diffused today, especially in France. Smarter cards have processing capability built in and are just beginning to make an impact.

The summa cum laude of smart cards in academic settings is the Studententchipkaart (Student Chip Card) in use at nine universities and colleges in the Netherlands. More than 250,000 cardholders use them for a range of on- and off-campus applications, from borrowing library books to making electronic cash payments.

"The real interest in this application is the multitasking," says Mr. Nutt. "It is unique in my experience because of the card's ability to perform separate tasks."

The card combines a range of functions that previously required separate documents. It serves as a college ID card, library card, phone card and public transport card. It can also be used as an "electronic purse" for payment at par-

ticipating schools and other businesses. It is a "key" to access such facilities as administration systems. Cardholders can also add other information, such as a personal telephone directory.

"The information on this card is harder to duplicate and read than that on a magnetic strip card," says Mr. Nutt. The user has the option of locking the entire card or pieces of information with a PIN number.

The identification/authorization function of the Studententchipkaart is well suited to Internet and intranet access for distance learning. Interest is so great that within a few years, "it will be unthinkable to operate without it in the Dutch educational system," claims Peter Ritsma, director of the Studententchipkaart Foundation.

The card was produced by a consortium made up of IBM, Dutch telecommunications corporation PTT Telecom and Informatic Beheer Groep (IB-Groep), the Dutch government agency that manages student affairs.

"With more than 28 million contacts a year with students, parents, etc., the IB-Groep needs to rationalize streams of information," says Karel van Eykelens, who heads

the IB-Groep. "The Studententchipkaart plays an important role in improving the quality of service and achieving cost reductions."

A 1998 IBM-sponsored benchmark survey on higher education in Europe revealed that universities consider finding new funding sources their most critical challenge, with controlling costs (administrative and personnel) not far behind.

Technology can help them address these problems, just as it helps for-profit businesses. Networked campuses can manage purchasing, food services, human resources and libraries more cost-effectively, points out Diane Oblinger, manager, academic programs and strategy, IBM global education.

IBM is currently discussing similar card roll-outs with potential academic customers in the United States and Europe. There are smart cards on many U.S. campuses today, but they are restricted to university use and have fewer applications on a single card. At one U.S. Ivy League school, "dumb" smart cards are used for selected dormitory washing machines and dryers, and "they are the most popular laundry machines on campus," a student reports.

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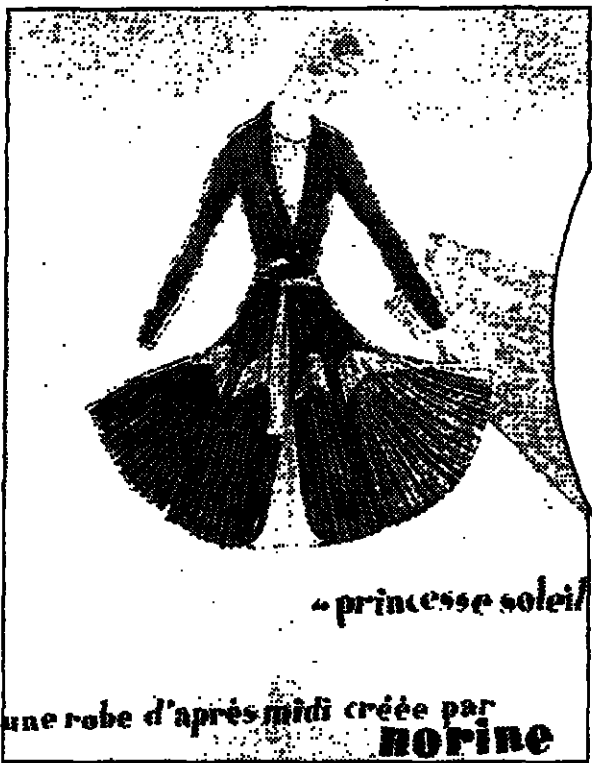
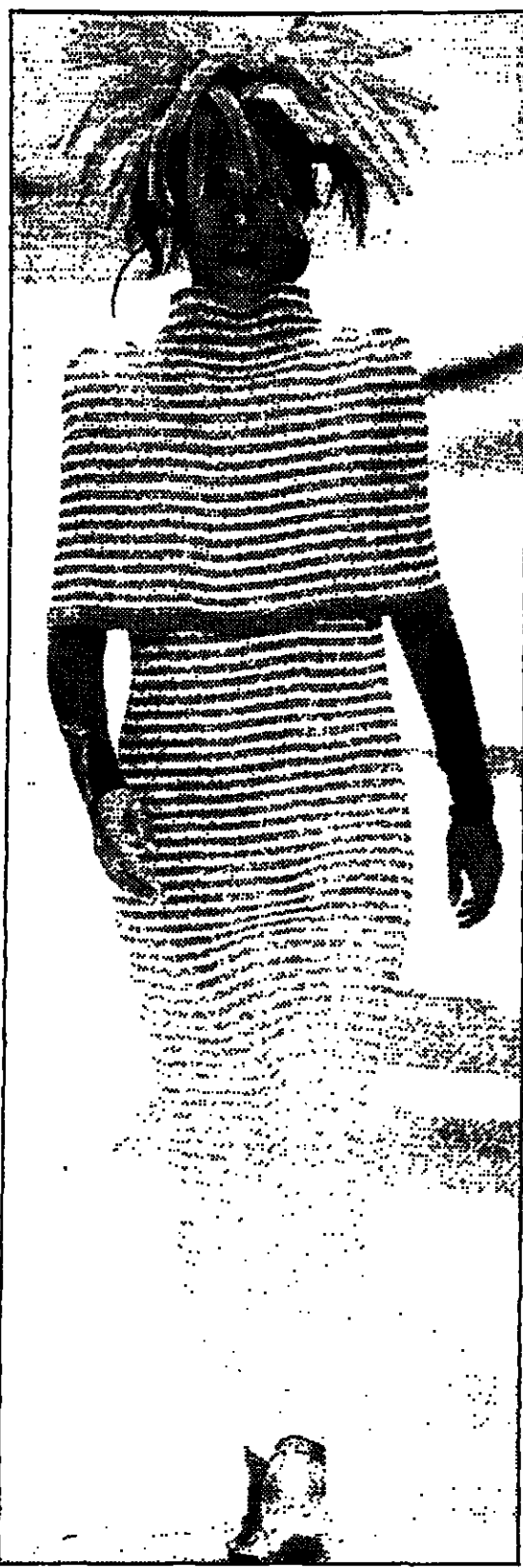
Contact IBM by e-mail at bousquet@fr.ibm.com or by fax at +331 41 88 52 50. For examples of European e-business initiatives, consult <http://www.europe.ibm.com/nec/customer>

Look for the "Business to e-Business" series on the IHT Web site at <http://www.ihl.com/IHT/SUP/ebiz.html>. The Web version of "Business to e-Business: Education" hotlinks the following words to other relevant Web sites:

- Lifelong learning • Learner-centered education • Digital library • Internet2 • Information Society

"BUSINESS TO e-BUSINESS: EDUCATION" is the ninth page in a series that addresses the impact of electronic business on various industries. It is an IHT/IBM joint initiative sponsored by IBM and produced by the IHT Advertising/Supplements Department. WRITER: Claudia Flisi, based in the South of France. ILLUSTRATIONS: Karen Sheckler-Wilson. PROGRAM DIRECTOR: Bill Mahler.

The Power and the Poetry of the Once-Prim Pleat



Clockwise from left: Bouncing pleats from Issey Miyake; Chanel's 1920s-style pleated tweed coat; gauzy sunray-pleat skirt from Marc Jacobs; fan pleats from Jeremy Scott; a statue from the exhibition 'L'Art au temps des Rois Maudits' at the Grand Palais in Paris; Marilyn Monroe in 'The Seven Year Itch'; Isadora Duncan's adopted daughters wearing Fortuny dresses; and Magritte's sun princess from the Brussels Beaux Arts exhibition.

Suzy Menkes
International Herald Tribune

PARIS — As ever, Rene Magritte had the words for it. "Princesse Soleil" — sun princess — he wrote on a fashion sketch of a fan-pleated skirt. In 1925 he set the tone for the century: that pleats are prissy and princessy.

Sure, Marilyn Monroe did her best to rev up the image in the famous scene when her skirt blows thigh-ward in "The Seven Year Itch." But come mini or maxi, pleated skirts have remained stubbornly prim — the preserve of schoolgirls, lady golfers and librarians.

Yet suddenly, pleats are hip. Edgy young designers have turned them into the must-have of the season. The American designer Marc Jacobs has even made the knee-length, knife-pleated skirt his

trademark. Worn with a cashmere tank-top and heels, it has that dowdy-but-chic look that is currently cool.

From Chanel to Helmut Lang, the pleat has been taken out of its staid context and redrawn as a graphic, modern style. Karl Lagerfeld had pleated tweed coats in his new collection, while Lang played with gauzy box-pleats.

It is the airy lightness of the new pleats that remove them from the more familiar stern skirts. For Jeremy Scott, an anarchic American designer in Paris, fan pleats in clinical white were a pivotal theme.

"I wanted something light and ethereal that was also strong and graphic," Scott said. "When I was designing the collection, I started to scribble these lines and they looked like pleats."

The designer was inspired by a visit to a Pierre Cardin exhibition that showed the re-

lentless modernist designer working with pleats to create evening dresses in the 1980s. Scott's own pleated geometry was a hit with the singer Bjork, who asked him to design outfits for her new tour.

But are pleats really modern? Issey Miyake would cry emphatically "yes." When he was looking for light-as-air outfits for William Forsythe's Frankfurt Ballet in 1990, he came up with simple designs in feather-light polyester jersey, permanently pleated.

It was the seed of Pleats Please, started in 1993, which has grown by 40 percent a year and now sells 246,000 pieces annually.

Last week, the latest Pleats Please store opened in New York's SoHo, joining other freestanding shops in London, Paris and Tokyo, along with stores worldwide that stock the basic pants, skirts and tops in neutral shades,

topped up each season with high fashion colors. Since 1996, there also have been printed designs by different guest artists: Yasumasa Morimura, the photographer Nobuyoshi Araki and now Tim Hawkinson.

Miyake's creations are modern, because they are a bantam-weight traveler's dream. They also offer liberty of movement — and freedom from seasonal fashion dictates. That appeals to an arty, Bohemian crowd, thereby taking Pleats Please back to the start of the century and the master of the poetic pleat: Mariano Fortuny.

The "Delphos" dress, named for the folds and drapes on classical Greek statues,

made the reputation of the Venice-based Fortuny, whose clients included the great courtesans of the Edwardian era, the Pre-Raphaelite "souls," the dancer Isadora Duncan and the actress Lillian Gish.

The designer took to his grave the secret of how the wet and folded silk, laid on heated porcelain tubes, created the elongated dresses that outlined the curves of the body in a way that was revolutionary in a corseted Belle Epoque era. In the book "Fortuny" by Delphine Desvieux (Thames and Hudson) the pictures prove how daring and timeless his creations were.

When Chanel raised hemlines in the 1920s, pleats spelled modernism — in a dif-

ferent and sporty way. The fashion illustrations of the era show pleated skirts blowing breezily at the sea shore, symbolizing the gale of change that was blowing through the stuffy salons and women's lives.

How then did pleats later become associated with all that was ladylike and proper? The culprit seems to have been Christian Dior. The couturier immortalized the sun-ray pleated skirt when he showed it with a nipped-in jacket as his 1947 New Look. But worn over layers of stiff petticoats, pleats lost the sensuality and ease and became formal wear. The pleated skirts were then parlayed into the prissy Doris Day look of the 1950s that was rejected in

the subsequent fashion youthquake of the 1960's.

Yet there was one country on which the sunray pleated skirt never set: America. Carrying the torch for fashion freedom, the early designers of American sportswear gave power to the pleat as something in which women could stride out, free of the constraints of the pencil skirt.

On American women, the pleat as much as pants, spelled freedom and a Big Country elegance.

It may be significant that it is an American designer who has taken up the flame, restoring the pleated skirt to its place at the forefront of gutsy, modern style.

Dwindling Couture

Yet another Paris house is dropping haute couture. Nina Ricci, founded in 1932, does not appear on the official list of the July shows. The house that was bought in January by the Spanish perfume group Puig is in the process of laying off all its couture studio hands in order to stem losses and to concentrate on fragrance and accessories, according to a Paris source.

Reached at Paco Rabanne on Monday (a house Puig owns along with Ricci) Mariano Puig said: "I am not able to talk, we are going through the legal process of information inside the house."

BOOKS

INNER REVOLUTION:
Life, Liberty and the Pursuit of Real Happiness
By Robert Thurman. 322 pages.
\$24.95. Riverhead.

Reviewed by David Guy

ONE of the strangest books to come along in years, "Inner Revolution" is an odd mixture of personal history, Buddhist theory, New Age babble and political manifesto. All of those elements are tossed into the same stew and one never knows what will bubble up next.

A longtime professor of Buddhist studies, Robert Thurman traveled to India as a young man and became a monk among Tibetan exiles. He also became a friend of the Dalai Lama and was instructed by men close to him.

In its cultures of origin, Buddhism was largely practiced in monasteries, with lay people giving financial and other kinds of support. Elsewhere, however, it has been primarily lay people who practice. They haven't been eager to shave their heads and take a vow of celibacy, but they regularly sit in meditation, study Buddhist texts and go on long and rigorous retreats.

Thurman is therefore an anomaly in today's boom, believing that monasticism is one of Buddhism's great inventions and a major reason for its success. He states that he lived in a perpetual "state of orgasm" as a monk and that he tried to remain one after he came back to the United States. He soon saw the futility of this project and became a professor. It is very much as a professor that he speaks in this book, full of intellectual energy and enthusiasm.

He also seems prone to the kind of professional statement that has us glowing as we leave the classroom but doesn't stand up to scrutiny. We might like to hear that "our civ-

ilization is ripe for another step in what the Buddha saw as our inevitable evolution toward happiness" or that Tibet was "a culture in which everything was geared toward helping all individuals become the best human beings they can be," but he offers little evidence.

Also, in his history of Buddhism and its migration to Tibet, he slips in tidbits that hardly seem scholarly. When he tells us that the Buddha "withdrew his adherence to his bodily form" because it was "more healthy for the community that he remove his personal authority" (the story I heard was that he died of food poisoning) or that "Tibet has been the secret dynamo that throughout this millennium has slowly turned the outer world toward enlightenment," he sounds like a guy hawking incense and crystals.

As one may have guessed, I am one of the lay practitioners I have alluded to, and though I am cowed by the thought of criticizing a famous Buddhist scholar, I don't believe Buddhism is served by foggy thinking, unverifiable statements or extravagant claims. I also don't buy his attitude of reverence for specific people, even the Dalai Lama, although I admire and respect him.

Thurman's ultimate vision is of a Buddhist political revolution, and here his naivete knows no bounds. He actually states that "the practical problems of world management are not that hard to solve" and proceeds to offer 10 planks of a political platform that he seems to believe any right-thinking country will adopt as soon as it hears them. I agree with every one of his planks and think they are beautifully stated, but if he believes that America is about to adopt them, he's had his head in too many esoteric texts.

David Guy, the author of four novels, wrote this for The Washington Post.

CHESS

By Robert Byrne

CHESS is shot through with ambiguities and uncertainties. When you sacrifice concrete values — rooks or knights — for a less tangible attack, are you bluffing or creating a work of art? Your opponent has to expend a lot of mental effort to figure out your intentions.

But what about you, the originator? Was it clear to you when you made the sacrifice that you really did have everything under your control, that force had to overcome material? Another possibility is that you set out with an ingenious bluff in mind and only after having completed a number of moves down the path grasped that you had struck gold.

A recent stunning sacrifice by the Armenian grandmaster Smbat Lputian to defeat the Fort Lee, New Jersey, grandmaster Maxim Dlugy in the fourth round of the New York Open is a beautiful example of ambiguities.

The Queen's Gambit Accepted, 2...dxc3, gives up Black's toehold in the center in the hope of getting open lines for his pieces and a counterattack. Yet it concedes White a rapid development

QUEEN'S GAMBIT ACCEPTED

White	Black	White	Black
Lputian	Dlugy	Lputian	Dlugy
1 d4	d5	12 Kh1	Nf2
2 c4	dxc3	13 Rf2	Bf2
3 e3	c6	14 Nb2	Ba7
4 Bc4	Nf6	15 Ne4	0-0
5 Nf3	c5	16 Nf6	g1
6 Qe2	a6	17 e4	Nd7
7 dc	Bc5	18 Qd2	Rd8
8 e4	Qc7	19 Qg5	Kf8
9 e5	Nb4	20 Bf4	Qc6
10 0-0	Nf2	21 Re1	Ng6
11 b4	Nh3	22 Rd8	Ne6
		23 Ne5	Resigns

on which to base dangerous attacks.

The point of the variation Lputian chooses with 6...Qe2 is to exchange pawns after 6...a6 7 dc Bc5. He thus avoids an isolated d pawn or an exchange of queens, and starts his central aggrandizement early with 8 e4.

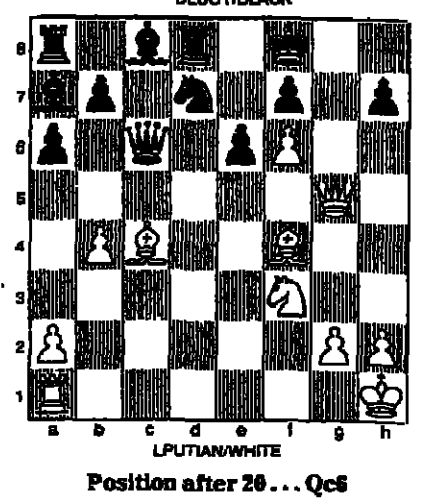
Years ago the prominent Russian theoretician Jacob Neustadt gave his imprimatur to the counterattack with 9...Ng4 10 O-O Nf2, but Lputian's play in the current game calls it into question.

Neustadt's analysis went: 11 Rf2 Bf2 12 Kf2 b5 13 b3 O-O! 14 Ba3 bc 15 Bf8 Kf8, with an even game. But Lputian's 11 b4!! creates a sea of complications. Dlugy was willing to take a draw after 11...Nh3 12 Kh1 Nf2, but Lputian insisted on sacrificing a rook and pawn for a knight with 13 Rf2 Bf2 14 Nbd2.

After 17 e4, Dlugy might have tried 17...Rd8, to keep the white queen away from the key attacking square d2, because 18 Bh6 Nd7 19 Qe6! Nf8 (19...fe? 20 Be6 Kh8 leads to 21 Bg7 mate) 20 Qe7 Qe7 21 fe Be6 22 Be6 Ne6 23 ed Qd8 24 Rc1 would probably end in a draw.

After 18 Qd2!, it would not have done Black any good to run with 18...Kh8 19 Qh6 Rg8 20 Ng5 Nf8 21 Bd3 Qd7 because of 22 Nh7! Rg6 23 Qf8 Rg8 24 Qh6 Rg6 25 Qh5 Qd5 26 Ng5 Kf8 27 Qh7 Kf8 28 Qf7 mate.

After 21 Rd1!, Dlugy faced 22 Rd7! Qd7 23 Qg7 Ke8 24 Qg8 mate. After 21...Nf6 22 Rd8 Ne8 23 Ne5, he gave up, avoiding 23...Qa4 24 Qh5 Ke7 25, Qf7 Kd8 26 Bg5 Nf6 27 Bf6 mate.



Position after 20...Qc6

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Imagining
Baby Bills: Could Be

Who Plays a
It's a Tough

Thinking Ahead

U.S. School

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Imagining the Breakup of Microsoft

'Baby Bills' Could Be a Clean Solution to the Antitrust Problem

By Denise Caruso
New York Times Service

NEW YORK — Now that the Justice Department and the attorneys general of 20 states have filed long-threatened antitrust suits against Microsoft Corp., the question remains why the most obvious, and perhaps cleanest, solution has yet to be considered: the breakup of Microsoft into its component businesses.

Many analysts and industry executives have noted that the complex, arcane lawsuits filed last week are probably too closely tied to the software giant's current products and business strategies to have any lasting effect.

Demanding specific concessions to Microsoft competitors such as Netscape Communications Corp., will probably be outdated in a matter of

months as technology changes. But perhaps most important, the challenges to Microsoft's monopoly do not address the more fundamental issue of how to ensure a truly competitive environment in which software code is the currency upon which a new digital economy is increasingly based.

Microsoft's control of the market for operating systems is the key to its continuing efforts to dominate applications programs, new media and other businesses — a power that has prompted speculation about a breakup for years.

Most recently, a Silicon Valley research institute, SRI International, offered a hypothetical model in which Microsoft eventually becomes five separately owned and operated companies, which SRI called the Baby Bills.

These Baby Bills — some would call them "Baby Bills," after Microsoft's Bill Gates and the "Baby Bills" that sprang from the AT&T breakup —

would consist of the following:

- An operating-system company that sells all versions of Microsoft's Windows operating system.
- An applications-software company that invents, acquires and sells classical productivity applications such as word processors, spreadsheets, data bases, and Internet browsers.
- A media content company, taking as its genesis today's Microsoft Network, that would acquire, promote and sell access to on-line and traditional media products.
- A networking company that includes such technology assets as the recently acquired WebTV Networks.
- A company that oversees the holdings of Microsoft's chairman, Bill Gates, and anything else that does not fit into the other companies.

The logic of such a setup becomes

See MICROSOFT, Page 14

Who Plays a Better Game of Monopoly?

It's a Tough Call When Comparing Bill Gates and John D. Rockefeller

By Allen R. Myerson
New York Times Service

NEW YORK — Let the competition begin to write the first rough drafts of the Bill Gates chapter in American history.

By the time the Justice Department filed its antitrust suits against Microsoft Corp. last week, the argument in some quarters had already come down to how much Mr. Gates was like John D. Rockefeller, whose Standard Oil holdings made him the most famed monopolist of a century ago.

The Federal Trade Commission's chairman, Robert Pitofsky, was a law professor who taught about the Supreme Court's decision to break up Standard Oil. "Market power that John D. Rockefeller would envy" is how Mr. Pitofsky has described Mr. Gates's position.

But, in comparing them, why simply speculate, when the evidence is there?

For starters, who is really richer? It seems to be Mr. Gates.

Mr. Rockefeller's wealth barely reached \$1 billion. That was in 1913, at the beginning of an inflationary century, and does not account for his habit of giving money away almost as fast as he made it. But adjust for inflation and add back the money that Mr. Rockefeller donated, and Mr. Gates is still ahead.

Ronald Chernow, author of "Titan: The Life of John D. Rockefeller" (Random House, 1998), estimates that in today's currency, Mr. Rockefeller was worth at most \$25.6 billion.

Mr. Gates owns nearly 542 million Microsoft shares, more than 20 percent of the company. Antitrust actions have cut his net worth, but as of the close of stock-market trading Friday, he was still good for \$46 billion.

But who, then, has lived better? Judging from their homes, it's Mr.

Rockefeller, though Mr. Gates has only begun to compete. Mr. Rockefeller had estates in Cleveland and Florida, but his prime residence was a 3,600-acre estate in Pocantico Hills, New York, more than four times the size of Central Park in New York City. He rerouted roads and even a railroad in the area lest soot and smoke ruin his golf game.

Mr. Gates is still building his \$35 million waterfront home near Seattle. With a 20-car garage tunneled into the hillside, a combination indoor waterfall/spa/60-foot (18-meter) pool and video walls that can be programmed to display a guest's favorite art, Mr. Gates is still trying to reconcile the demands of infotech flashiness, environmental correctness and domestic tranquility.

But in other ways, Mr. Rockefeller and Mr. Gates earnestly compete across

See GATES, Page 14



Tokyo dealers working as Treasury Secretary Rubin conferred with Finance Minister Zadornov of Russia.

Yen Plunges Again on U.S. Remarks

By Philip Segal
International Herald Tribune

HONG KONG — Views on U.S. foreign-exchange policy attributed to the U.S. Treasury secretary, Robert Rubin, sent the yen plunging against the dollar Monday, threatening to deepen Asia's economic crisis by setting off another round of currency devaluations in the region.

The dollar rose above 137 yen for the first time in almost seven years, already nearing the target most economists forecast it would reach by the end of the year.

gan Stanley Dean Witter in Hong Kong. "A dramatic weakening in a short time — within a quarter — would be destabilizing for all of the regional currencies."

While he said he was confident that China would not be forced to devalue, Dong Tao, a Credit Suisse First Boston economist, said that in the rest of Asia,

"currency stability is extremely fragile" and that a sharply weaker yen "certainly would result in at least a short-term panic."

A devaluation of the Chinese currency, the yuan, would almost certainly trigger another round of turmoil in fi-

See YEN, Page 17

Can Insurgents and Investors Mix?

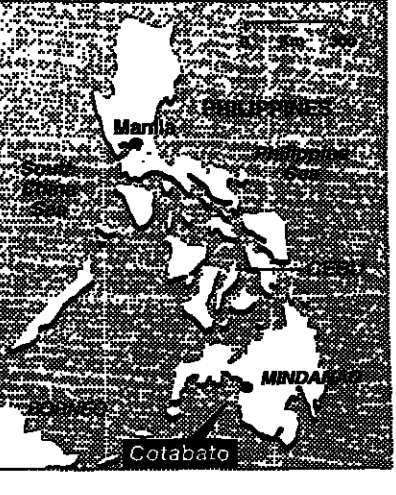
By Don Kirk
International Herald Tribune

COTABATO, Philippines — A scrawny man brandishing an M-16 rifle emerged from behind the crude wooden barricade, waving down a taxi and gesturing it to the side of the road.

The taxi driver had whizzed through half a dozen roadblocks whose guardians did not seem interested in stopping it, but this man was serious.

"Where are you going?" he wanted to know. "What are you doing here? What is your business?"

Dropping the names of the leaders of the Moro Islamic Liberation Front, the rebel group that controls a stretch of the highway about 60 kilometers (37 miles) east of here, was enough to stop the questioning.



All the man wanted then was a "donation" of 600 pesos (about \$15), which the taxi passengers handed over before speeding on toward this city at the heart of Bangsamoro, the land of the Moros. It extends from southern Mindanao, the large southern island of

the Philippines, south through the Sulu archipelago. "Because of the peace-and-order problem, foreign investors are afraid," said Pax Mangudadato, a Muslim leader

See MINDANAO, Page 17

Thinking Ahead / Commentary

U.S. Schools Fail to Fill the Skills Gap

By Reginald Dale
International Herald Tribune

WASHINGTON — How long can the U.S. economy keep up its world-beating dynamism of the past six years? Ask an economist, and you will probably hear a lot about inflation, interest rates and exuberant financial markets.

Ask someone who runs a business today, and the reply will be very different. The chances are you will be told that the Achilles' heel of America's economic performance is a growing shortage of skilled labor.

More and more companies, particularly those using the most advanced technologies, say they are cutting back expansion plans — or transferring some operations abroad — because they simply cannot find enough workers with the requisite skills in the United States.

Many people in business believe the shortage threatens not just the current economic expansion but America's continuing domination of the computer and software technologies that will be crucial to prosperity in the 21st century.

Seen from this angle, a better way of putting the question might be: How long can a country whose high school students score so poorly in mathematics and science hope to retain world technological leadership?

The problem affects virtually every kind of business. According to a report just published by the Council on Competitiveness, a private, nonpartisan policy forum in Washington, there is "an acute skills shortage in every part of the country that threatens the foundation of American competitiveness."

A senior Labor Department official



holding wages down. With somewhat greater justification, they accuse employers of wanting only to hire young workers trained in the latest techniques, often straight from colleges and universities.

But the unions ought to be able to see that it makes more sense to bring the foreigners to America than to move the jobs to the foreigners. U.S. companies should both be allowed to recruit the best of the foreigners, before they are snatched up by rival companies, and be encouraged to help train more Americans.

Unfortunately, according to the Council on Competitiveness, the United States has an aging work force and a youth population that is "largely unprepared" for highly skilled work.

"In the coming years," the council says, "new entrants to the work force will present an even tougher challenge. They are projected to be the least prepared and the most ethnically, racially, and gender diverse in history."

But there is also widespread agreement among experts that the American school system is not good enough at teaching the skills needed by industry, nor at inculcating the ambition to excel in science and math. Many young people are more interested in what they see as get-rich-quick careers in entertainment or sports.

Business is not doing enough either training expenditure per worker appears to have fallen in the past 15 years. But the Council on Competitiveness says it is still not too late to confront the skills challenge. The important thing is to tackle it now, while the economy is still booming.

E-mail address: thinkahead@washpost.com

CURRENCY & INTEREST RATES

Cross Rates									
	\$	£	D.M.	FF.	Yen	Sc.	Sw.	DK	Nor.
American dollar	1.00	0.74	1.93	6.55	106.45	136.75	8.00	4.66	5.48
British pound	1.34	1.00	2.56	8.76	143.22	182.20	10.66	6.33	7.32
French franc	0.15	0.13	1.00	6.55	16.63	216.36	13.36	7.93	9.16
German mark	0.50	0.43	1.00	6.55	16.63	216.36	13.36	7.93	9.16
Japanese yen	0.0094	0.0082	0.024	1.00	106.45	136.75	8.00	4.66	5.48
Swedish krona	0.136	0.118	0.336	1.00	136.75	182.20	10.66	6.33	7.32
Swiss franc	0.75	0.66	1.93	1.00	16.63	216.36	13.36	7.93	9.16
Danish krone	0.216	0.188	0.536	1.00	136.75	182.20	10.66	6.33	7.32
Norwegian kroner	0.136	0.118	0.336	1.00	136.75	182.20	10.66	6.33	7.32
Other dollar values									
Argentine peso	0.0099	0.0086	0.024	1.00	106.45	136.75	8.00	4.66	5.48
Australian dollar	0.75	0.66	1.93	1.00	16.63	216.36	13.36	7.93	9.16
Canadian dollar	0.75	0.66	1.93	1.00	16.63	216.36	13.36	7.93	9.16
Chinese yuan	0.15	0.13	0.36	1.00	16.63	216.36	13.36	7.93	9.16
Chinese yuan (HK)	0.0078	0.0068	0.019	1.00	7.75	100.00	6.25	3.75	4.25
Chinese yuan (M)	0.0001	0.00008	0.00024	1.00	1.06	13.67	0.80	0.46	0.55
Chinese yuan (P)	0.0001	0.00008	0.00024	1.00	1.06	13.67	0.80	0.46	0.55
Chinese yuan (R)	0.0001	0.00008	0.00024	1.00	1.06	13.67	0.80	0.46	0.55
Chinese yuan (S)	0.0001	0.00008	0.00024	1.00	1.06	13.67	0.80	0.46	0.55
Chinese yuan (T)	0.0001	0.00008	0.00024	1.00	1.06	13.67	0.80	0.46	0.55
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Chinese yuan (BB)	0.0001	0.00008	0.00024	1.00	1.06	13.67	0.80	0.46	0.55
Chinese yuan (BC)	0.0001	0.00008	0.00024	1.00	1.06	13.67	0.80	0.46	0.55
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Chinese yuan (BM)	0.0001	0.00008	0.00024	1.00	1.06	13.67	0.80	0.46	0.55
Chinese yuan (BN)	0.0001	0.00008	0.00024	1.00	1.06	13.67	0.80	0.46	0.55
Chinese yuan (BO)	0.0001	0.00008	0.00024	1.00	1.06	13.67	0.80	0.46	0.55
Chinese yuan (BP)	0.0001	0.00008	0.00024	1.00	1.06	13.67	0.80	0.46	0.55
Chinese yuan (BQ)	0.0001	0.00008	0.00024	1.00	1.06	13.67	0.80	0.46	0.55
Chinese yuan (BR)	0.0001	0.00008	0.00024	1.00	1.06	13.67	0.80	0.46	0.55
Chinese yuan (BS)	0.0001	0.00008	0.00024	1.00	1.06	13.67	0.80	0.46	0.55
Chinese yuan (BT)	0.0001	0.00008	0.00024	1.00	1.06	13.67	0.80	0.46	0.55
Chinese yuan (BU)	0.0001	0.00008	0.00024	1.00	1.06	13.67	0.80	0.46	0.55
Chinese yuan (BV)	0.0001	0.00008	0.00024	1.00	1.06	13.67	0.80	0.46	0.55
Chinese yuan (BW)	0.0001	0.00008	0.00024	1.00	1.06	13.67	0.80	0.46	0.55
Chinese yuan (BX)	0.0001	0.00008	0.00024	1.00	1.06	13.67	0.80	0.46	0.55
Chinese yuan (BY)	0.0001	0.00008	0.00024	1.00	1.06	13.67	0.80	0.46	0.55
Chinese yuan (BZ)	0.0001	0.00008	0.00024	1.00	1.06	13.67	0.80	0.46	0.55
Chinese yuan (CA)	0.0001	0.00008	0.00024	1.00	1.06	13.67	0.80	0.46	0.55
Chinese yuan (CB)	0.0001	0.00008	0.00024	1.00	1.06	13.67	0.80	0.46	0.55
Chinese yuan (CC)	0.0001	0.00008	0.00024	1.00	1.06	13.67	0.80	0.46	0.55
Chinese yuan (CD)	0.0001	0.00008	0.00024	1.00	1.06	13.67	0.80	0.46	0.55
Chinese yuan (CE)	0.0001	0.00008	0.00024	1.00	1.06	13.67	0.80	0.46	0.55
Chinese yuan (CF)	0.0001	0.00008	0.00024	1.00	1.06	13.67	0.80	0.46	0.55
Chinese yuan (CG)	0.0001	0.00008	0.00024	1.00	1.06	13.67	0.80	0.46	0.55
Chinese yuan (CH)	0.0001	0.00008	0.00024	1.00	1.06	13.67	0.80	0.46	0.55
Chinese yuan (CI)	0.0001	0.00008	0.00024	1.00	1.06	13.67	0.80	0.46	0.55
Chinese yuan (CJ)	0.0001	0.00008	0.00024	1.00	1.06	13.67	0.80	0.46	0.55
Chinese yuan (CK)	0.0001	0.00008	0.00024	1.00	1.06	13.67	0.80	0.46	0.55
Chinese yuan (CL)	0.0001	0.00008	0.00024	1.00	1.06	13.67	0.80	0.46	0.55
Chinese yuan (CM)	0.0001	0.00008	0.00024	1.00	1.06	13.67	0.80	0.46	0.55
Chinese yuan (CN)	0.0001	0.00008	0.00024	1.00	1.06	13.67	0.80	0.46	0.55
Chinese yuan (CO)	0.0001	0.00008	0.00024	1.00	1.06	13.67	0.80	0.46	0.55
Chinese yuan (CP)	0.0001	0.00008	0.00024	1.00	1.06	13.67	0.80	0.46	0.55
Chinese yuan (CQ)	0.0001	0.00008	0.00024	1.00	1.06	13.67	0.80	0.46	0.55
Chinese yuan (CR)	0.0001	0.00008	0.00024	1.00	1.06	13.67	0.80	0.46	0.55
Chinese yuan (CS)	0.0001	0.00008	0.00024	1.00	1.06	13.67	0.80	0.46	0.55
Chinese yuan (CT)	0.0001	0.00008	0.00024	1.00	1.06	13.67	0.80	0.46	0.55
Chinese yuan (CU)	0.0001	0.00008	0.00024	1.00	1.06	13.67	0.80	0.46	0.55
Chinese yuan (CV)	0.0001	0.00008	0.00024	1.00	1.06	13.67	0.80	0.46	0.55
Chinese yuan (CW)	0.0001	0.00008	0.00024	1.00	1.06	13.67	0.80	0.46	0.55
Chinese yuan (CX)	0.0001	0.00008	0.00024	1.00	1.06	13.67	0.80	0.46	0.55
Chinese yuan (CY)	0.0001	0.00008	0.00024	1.00	1.06	13.67	0.80	0.46	0.55
Chinese yuan (CZ)	0.0001	0.00008	0.00024	1.00	1.06	13.67	0.80	0.46	0.55
Chinese yuan (DA)	0.0001	0.00008	0.00024	1.00	1.06	13.67	0.80	0.46	0.55
Chinese yuan (DB)	0.0001	0.00008	0.00024	1.00	1.06	13.67	0.80	0.46	0.55
Chinese yuan (DC)	0.0001	0.00008	0.00024	1.00	1.06	13.67	0.80	0.46	0.55
Chinese yuan (DD)	0.0001	0.00008	0.00024	1.00	1.06	13.67	0.80	0.46	0.55
Chinese yuan (DE)	0.0001	0.00008	0.00024	1.00	1.06	13.67	0.80	0.46	0.55
Chinese yuan (DF)	0.0001	0.00008	0.00024	1.00	1.06	13.67	0.80	0.46	0.55
Chinese yuan (DG)	0.0001	0.00008	0.00024	1.00	1.06	13.67	0.80	0.46	0.55
Chinese yuan (DH)	0.0001	0.00008	0.00024	1.00	1.06	13.67	0.80	0.46	0.55
Chinese yuan (DI)	0.0001	0.00008	0.00024	1.00	1.06	13.67	0.80	0.46	0.55
Chinese yuan (DJ)	0.0001	0.00008	0.00024	1.00	1.06	13.67	0.80	0.46	0.55
Chinese yuan (DK)	0.0001	0.00008	0.00024	1.00	1.06	13.67	0.80	0.46	0.55
Chinese yuan (DL)	0.0001	0.00008	0.00024	1.00	1.06	13.67	0.80	0.46	0.55
Chinese yuan (DM)	0.0001	0.00008	0.00024	1.00	1.06	13.67	0.80	0.46	0.55
Chinese yuan (DN)	0.0001	0.00008	0.00024	1.00	1.06	13.67	0.80	0.46	0.55
Chinese yuan (DO)	0.0001	0.00008	0.00024	1.00	1.06	13.67	0.80	0.46	0.55
Chinese yuan (DP)	0.0001	0.00008	0.00024	1.00	1.06	13.67	0.80	0.46	0.55
Chinese yuan (DQ)	0.0001	0.00008	0.00024	1.00	1.06	13.67	0.80	0.46	

THE AMERICAS

Maker of Quirky Games Finds Shelf Space on Web

By James Ryan
New York Times Service

NEW YORK — The Virtual Pet Cemetery (www.lavamind.com/pet.html) is one of the more oddball compelling Web-side attractions to have sprung up on the Internet.

A million or so visitors find their way there each year to gawk at the eulogies posted in loving memory of Misty the Brown Mutt or Miretta and Her Kittens. Most are probably unaware that they have been flaged down by a larger-than-life roadside attraction, like a Paul Bunyan statue. Once there, perhaps the tourist will stop by the gift shop and make a purchase.

At least that is the hope of Steven Hoffman and Naomi Kokubo, a husband-and-wife design team in their early 30s that operates the pet cemetery as a come-on for Lava Mind, their home-based company in San Francisco.

Lava Mind is best known for a series of zany CD-ROM business-simulation games for personal computers, including Gazillionaire and Zaptalism, which generally receive high marks from game reviewers for sheer fun and playability, and from educators for instructional value.

In Gazillionaire, players putter from planet to planet in funky spaceships buying and selling commodities in an effort to outwit aliens. Zaptalism is a more advanced variation on the same theme, played out in a tropical archipelago complete with monks and pirates.

Despite the games' popularity, selling them has required creativity in the last few years, as the CD-ROM game industry has consolidated around a handful of big publishers. Small publishers such as Lava Mind with niche titles like Gazillionaire have been all but squeezed out of retail stores.

"It's impossible these days for a small, self-published game to get shelf space, no matter what the genre," said Elizabeth Crocker, creator of Happy Puppy, a Web site that publishes game reviews.

So Lava Mind, which had been struggling with its retail-distribution network, decided to shift to a marketplace with infinite shelf space: the Internet. Sales on the World Wide Web, averaging about \$6,000 a month, have been their primary source of income this year.

"It gives us a good feeling to know if somebody really wants to get our game, they can," Mr. Hoffman said.

Though it is difficult to gauge how much of their game sales can be attributed to traffic from Virtual Pet Cemetery, it is worth noting that the pet site receives roughly three times the traffic of the Lava Mind home page itself.

Whatever the leapfrog point, customers who have discovered Lava Mind through the Internet include prison inmates and a parochial middle school in Albany, Georgia, which recently

ordered 14 copies of Gazillionaire for a class in personal finance.

And when the authors of a top-selling introductory college business text, "Understanding Business," fell in love with Zaptalism earlier this year after stumbling upon it on the Internet, their publisher, Irwin/McGraw-Hill, bought 1,000 copies to send to professors to gauge their interest. The response was favorable, and Irwin/McGraw-Hill is considering bundling the CD-ROM with the book.

Ms. Kokubo, a graduate of the International Christian University in Japan, first worked at the Tokyo office of Morgan Stanley & Co. as a financial analyst and then held a variety of positions ranging from interpreter to production coordinator for the Leo Burnett advertising agency in Japan.

Mr. Hoffman, who has a bachelor's degree in electrical engineering from the University of California and a master's degree in film and television production from the University of Southern California, worked on entertainment software projects for companies that included Lucasfilm Ltd. and Sega Enterprises Ltd. in Tokyo.

In 1994, having been married for four

years and having built up a cushion in their savings account, they quit their jobs in Tokyo to make a go of it on their own in the United States. What appealed to them most about working on a shoestring-budget CD-ROM from their home was that they could create the game they wanted without waiting for approval or financing.

Nine months and \$30,000 later, Gazillionaire was born. They released a shareware version of the game over the Internet, which proved so addictive to employees at Spectrum Holobyte, a software distributor, that the company bought the U.S. distribution rights.

Lava Mind estimates that 150,000 copies of the original Gazillionaire and two repackaged versions, Gazillionaire Deluxe and Zaptalism, have been sold.

The more advanced simulation, Zaptalism, was released last year. Although Ionos Inc., a small company based in Scottsdale, Arizona, agreed to distribute it, Ionos had trouble negotiating shelf space, and Lava Mind has yet to receive any royalties from the company.

Rather than sit back frustrated and broke, the couple switched their ener-

gies to promoting their products over the Internet, which enables them to keep 100 percent of the average \$40 sale price, compared with just a few dollars for each disk sold through traditional channels. So while they are seeking a distributor for their third business simulation game, Profitania, they are already offering it for sale on their Web site.

Ms. Crocker of Happy Puppy predicted that an increasing number of game developers would resort to direct Web promotions. "The Internet is definitely providing a medium for small developers to end-run the monopoly the big publishers and distributors have on the retail market," she said.

Still, repeating the Lava Mind model may be difficult, according to Regina Joseph, an interactive media analyst at Jupiter Communications.

"They came up with good ideas like the Virtual Pet Cemetery that people could connect with emotionally before anyone else and got a lot of traffic on word of mouth alone," Ms. Joseph said. "If you're not as lucky or talented as they are, you're going to have to spend money to advertise and publicize your product. That can get very expensive."



Steven Hoffman and Naomi Kokubo of Lava Mind lure potential customers for business games with their Virtual Pet Cemetery Web site.

A Late Entry, Sony, Leads the Video-Game Race

By Kris Goodfellow
New York Times Service

NEW YORK — Mario the plumber has always done a good job of running and jumping through video games. But Parappa the Rappa has him worried about his age and his place in the living room.

The computer-gaming industry convenes in Atlanta this week for the Electronic Entertainment Expo and the annual battle of the gaming titans. This year, that mainly means a face-off between Nintendo Co., creator of Nintendo 64 and Mario, and Sony Corp., creator of PlayStation and Parappa.

But how did this matchup come to pass? Until three years ago, Sony had never released a video game.

It was in the autumn of 1995 that Sony Computer Entertainment of America introduced the PlayStation video-game console. It seemed risky to enter a cyclical business such as video games. Not only was this a market with notoriously difficult consumers — finicky kids from 10 to 14 — but it was a field dominated by two ferocious companies, Nintendo and Sega Enterprises Ltd. But Sony has had great success.

More than 10 million PlayStation games have been sold. PlayStation sales are estimated to have added \$510 million to \$680 million in profit to Sony Corp.'s

coffers in the year that ended in March. According to NPD Group, a market research firm, Sony controls 59 percent of the U.S. market, with Nintendo at 32 percent, leaving the rest to Sega.

"There is so much momentum in this market for Sony," said Larry Marcus, an analyst with BT Alex. Brown. "Nothing can dethrone them right now."

Until Sony entered the market, the video-game business was split between the Super Nintendo Entertainment System and Sega Genesis. Both systems used 16-bit microprocessors, chips that processed graphics, sound and the other requisite information in snippets of 16 bits of data. But as computer power became less expensive, the time came for hardware that could create more compelling on-screen action.

Competitors seized the opportunity to enter the field, among them Sony. Although a gaming novice, the company had a consumer-electronics pedigree and, from its movie and music holdings, experience working with creative artists.

Sony also knew that, beyond the limitations of 16-bit technology, the gaming industry had another weakness: The games were stored in cartridges, which made for speedy game play but were expensive and slow to manufacture.

Sony adopted the compact-disk format, which would allow more developers to

create games while charging less.

With more games, Sony could aim for a broader and older audience than Nintendo's and Sega's 10-to-14-year-olds — but also younger than the people in their 30s and older who were the target for personal computer game makers.

When the Sony PlayStation entered the market in September 1995, three so-called next-generation systems were already out: the Sega Saturn, the Atari Jaguar and one from a company called 3DO. (Nintendo was still a year away from bringing out a new player.) But Atari and 3DO were not able to overcome the superior muscle of Sega and Sony.

The Sega and Sony systems were similar — 32-bit, CD-based and priced at about \$300 — but the games were very different. Sega offered titles like Virtual Fighter, which were popular among devotees, but the company did not have the breadth in its lineup that Sony did.

In its first year, Sony released about 100 games from dozens of developers, which either sold their games outright to Sony or published games that could be played on PlayStation.

As a result of this arrangement, only five of the PlayStation's top 10 selling games that year were actually developed by Sony. The other five were developed by three outside companies that already had cachet in the gaming

industry: Namco Ltd. and Psygnosis of Japan and Ubi Soft SA of France.

Their involvement was crucial, according to Andrew House, vice president for marketing at Sony Computer Entertainment of America.

"Sony didn't have an inherent attraction to gamers," he said.

Nintendo had not disappeared, however. At the Electronic Entertainment Expo in 1996, the company demonstrated its 64-bit Nintendo 64 system, and the product was an instant hit. But because it appealed to youngsters between 10 and 14, it did more damage to Sega's market share, while leaving Sony's sales strong among older people.

Meanwhile, Sony's PlayStation hits have become stronger. Its own title, Parappa the Rappa, a follow-the-leader music game with sales estimated at 170,000, has become a favorite since its release last year. And Tomb Raider 1 and 2, from the British developer Eidos PLC, featuring the gamers' pinup girl Lara Croft, have total sales estimated at 1.7 million copies.

On the eve of this week's industry expo, which starts Thursday, Sega has announced a partnership with Microsoft Corp. and others to produce a 128-bit video-game console called Dreamcast. That system is not expected to be released in the United States until late next year.

Very briefly:

• Microsoft Corp. agreed to join forces with Philips Electronics NV to develop its new Microsoft Digital Sound System 80, an 80-watt, three-piece personal-computer audio system that includes two satellite speakers and a subwoofer with a built-in digital amplifier.

• Hiring activity in the United States in the third quarter is expected to remain at high levels, according to a Manpower Inc. survey showing the strongest indication of net hiring in 20 years.

• Brazilian stocks fell to a three-and-a-half month low Monday as recent polls showed weakening support for President Fernando Henrique Cardoso, which could slow economic reform including sales of state assets. The Bovespa index for the Sao Paulo stock exchange fell 3.2 percent, or 326 points, to 9,913.

• Cinram International Inc.'s first-quarter profit fell 53 percent as the Toronto-based maker of compact discs and cassettes sold them for less and customers such as movie studios and music publishers had fewer hit releases. Net income dropped to 2.8 million Canadian dollars (\$2 million) from 5.9 million dollars. AFX, Reuters, Bloomberg

Note to Readers

Financial markets and banks in the United States were closed Monday in observance of Memorial Day.

MICROSOFT: 'Baby Bills' Could Solve the Antitrust Problem

Continued from Page 13

apparent when viewed against the specific demands of the lawsuits filed last week. Most of the demands in the suits are intended to stop Microsoft from using its operating-system monopoly to force personal-computer makers and consumers to accept the company's applications and World Wide Web links.

To preserve competition for Internet browser software, Justice Department officials have asked that Microsoft either decouple its Internet Explorer browser from Windows 98 or include Netscape's browser.

Although this demand might provide an unnecessary entitlement for Netscape, it still does not provide for what happens when Microsoft ships future versions of the operating system like Windows NT or Windows 2000 — which, like Windows 98, will incorporate Microsoft's browser in such a way that it appears to be an integral part of the operating system.

The Justice Department has various other goals, including forcing Microsoft to let computer makers distribute rival browsers if they so choose — something the company has contractually forbidden manufacturers to do in the past. The states, in their lawsuit, want to stop Microsoft from linking the sales of its Mi-

crosoft Office application suite to sales of Windows for computer makers.

Breaking up Microsoft into separate operating-systems and applications companies, with a clear definition of those two categories, would eliminate the need for all these demands. Leaving Microsoft intact fails to address the original impetus for the antitrust suits: the need to create an environment in which competition can flourish.

In fact, in seeking to re-establish a competitive market, the definition of an operating system as opposed to an application is a crucial component of any legal action against Microsoft. This is a contentious area, and one in which Microsoft has to date been intractable. It is none of the government's business, the company says, to decide what it will build into its operating-system software, including applications like browsers.

But the malleable nature of software is such that when lines between operating systems and applications blur — as they have recently — the ability of Microsoft's competitors to provide innovative applications, and the ability of consumers to buy those products, is all but eliminated.

In the end, defining the components, and the boundaries, of the software industry will be necessary to level the playing field for Microsoft's compet-

itors and to create a foundation for the future of digital commerce.

Rather than cutting incremental deals with Microsoft about specific products and practices, the government should ask: In what areas are there companies that want to compete? Where are competitors being unfairly stopped by an existing monopoly — or where might that monopoly unfairly stop them in the future?

"The worst thing would be a settlement agreement with Microsoft," said a prominent Silicon Valley lawyer who contends that the current lawsuits do not go far enough. "There needs to be a bright line drawn that can't be interpreted through word-smithing," he said, speaking on condition of anonymity.

"If there are ambiguities on a piece of paper," the lawyer added, "Microsoft will just do what they want and argue later about the paper. The government needs to say: 'These are the places where you cannot go. Don't go there!'"

Certainly, it would be no picnic for the government to enter a definitional debate with Microsoft in an attempt to draw that bright line separating its operating system from other software products. But by not addressing these fundamental issues, the government could squander an opportunity to build a lasting foundation for fair competition in the digital age.

GATES: Is Microsoft's Chief Cut Out to Be the King of Monopoly?

Continued from Page 13

the decades in cheapness. Mr. Rockefeller's estates in Potomac Hills and Cleveland

had their own golf courses, but around water hazards he cut his risks by switching to old balls. He wore suits until they were shiny and sometimes billed his guests for board.

Mr. Gates flew coach until he bought his own plane a few months ago. He still feasts on fast-food hamburgers.

But, given the importance of image, who then sounds more like a rapacious monopolist? Here, too, it looks like an even match, as both borrowed the language of organized crime to describe what they were doing, even for deeds that were entirely legal.

Standard Oil, using code words to preserve secrecy, spoke of making competitors "feel sick" or of giving them "a good sweating."

The Gates crowd speaks instead of collecting a "vigorous," or "vig."

For organized crime, that means a regular extortionate loan payment, unavoidable for borrowers who value their health. For Microsoft, it means a regular software licensing payment, unavoidable for almost anyone who wants to use a personal com-

puter. It is figured into the cost of every machine. Now Microsoft wants to collect a vig on Internet access, too.

Which brings us to public relations. Here, Mr. Rockefeller got off to a terrible start, then made a comeback, while Mr. Gates has done the reverse. Image-polishing was an art Mr. Rockefeller ignored until the Supreme Court broke up his company in 1911.

Thus the muckraking press, led by Ida Tarbell, got to define him as a rapacious monopolist. Only then did he hire Ivy Lee, one of the first professional publicists. He followed Mr. Lee's advice to hand out shiny dimes to children. Living to age 98, he came to be viewed as eccentric and, for his charities small and large, even benevolent.

Mr. Gates, attuned to the business celebrity culture from the start, took the leading role in a saga that has been called the "Revenge of the Nerds." He and his handlers, however, have been so heavily-handed in responding to competitors and public officials that they inadvertently confirmed many fears.

Discovering, like Mr. Rockefeller, that children are useful props, Mr. Gates visited a sixth-grade classroom in the Washington Heights neigh-

borhood of Manhattan in March after his handlers had strung five banks of movie lights and sent in a company video crew. That was the day after an appearance before a Senate panel where he was portrayed much as Ida Tarbell described Mr. Rockefeller.

What, then, about true philanthropy? Who was genuinely the more generous? Hand it to Mr. Rockefeller, even though Mr. Gates has promised to catch up.

In "The Prize: The Epic Quest for Oil, Money and Power" (Simon & Schuster, 1991), Daniel Yergin says Rockefeller gave away \$550 million, equal to billions today. He established the Rockefeller Foundation and Rockefeller University, financed the University of Chicago and sponsored Spelman College in Atlanta to educate the families of freed black slaves.

Mr. Gates promises to eventually give away more than 90 percent of his wealth. He has provided about \$555 million for the William H. Gates Foundation, pledged to spend about \$200 million through the Gates Library Foundation and has spread around at least another \$22 million.

Like Mr. Rockefeller, he favors universities, having

To Our Readers

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سكرا من الامم

EUROPE

EU Appears Set to Bar Digital-TV Venture

By John Schmid
International Herald Tribune

FRANKFURT — The European Union's antitrust authorities, in a showdown with Germany's biggest media and telecommunications companies, appeared ready Monday to block the creation of a dominant German digital pay-television company.

Although a decision is not expected until Wednesday, allowing room for last-minute lobbying and concessions, neither Kirch Group nor CLT-Ufa, the broadcasting company partly controlled by Bertelsmann AG, were prepared to make further compromises to the EU in their bid to merge their digital-TV operations, both companies said Monday.

A veto of the planned merger would throw into disarray efforts to introduce digital pay-TV to Germany and potentially set a difficult hurdle for future pay-TV alliances elsewhere in the EU by setting a

tough precedent for media mergers, analysts said.

Karl Van Mier, the EU's competition commissioner, has said he wants to stop the alliance unless the companies can guarantee in advance that they will not create a broadcast monopoly. Without new concessions meant to ensure open competition within Europe's single-largest broadcasting market, Mr. Van Mier has said, he will block the merger.

The outcome of the final decision remained unclear late Monday as national antitrust officials from the EU met in Brussels with Mr. Van Mier to debate the alliance. Last-minute compromises could postpone a definitive ruling until June 3, now set as the final deadline for a decision. A heated debate is expected Wednesday, when the 20-member commission is due to vote.

Deutsche Telekom AG, the German national telephone company, is said to be engaged in a tough

lobbying effort to persuade Mr. Van Mier to back down. Telekom operates Germany's largest cable-TV network and is eager to take a stake in a subsidiary of the merged Kirch-Bertelsmann operation.

Martine Reicherts, a commission spokeswoman, said the alliance partners wrote to the EU on Saturday to say they would not put forward any improved offers.

A rejection from the EU would be the latest of many setbacks to the effort to create a digital pay-TV platform in Germany, France, Italy and Spain already have digital pay-TV operators.

The Bertelsmann-Kirch combination has been in limbo since November, when Mr. Van Mier issued a restraining order that prevented the two partners from marketing their decoder boxes, which subscribers buy or rent to unscramble the digital-TV signals. That ruling froze the number of subscribers at 120,000, a small fraction of the number the two companies

seek in the German market.

The EU also blocked a plan by both companies to team up in 1994. Later, the huge start-up costs almost forced Bertelsmann to scale back its digital-broadcasting ambitions. Massive investments also forced Kirch, which has posted 1.1 billion Deutsche marks (\$623.9 million) in operating losses since 1996, to abandon its unaccompanied efforts to begin digital-TV operations in Germany.

The deal, if allowed to proceed, would merge Kirch's unprofitable DF-1 digital channel with Premiere, Germany's analog pay-TV cable channel.

An EU veto of the plan would have harsher consequences for privately held Kirch, which would probably see DF-1 go out of business — than for Bertelsmann, which has diversified investments. Kirch, which is owned by Leo Kirch, would continue with its core business of renting movie and leasing rights from its large archives.

Vendex Plans To Sell Unit To De Boer

Bloomberg News

AMSTERDAM — Vendex International NV will sell its food business to De Boer Unigro NV in a transaction valued at an estimated 2.1 billion guilders (\$1.06 billion), the companies announced Monday.

De Boer, the Netherlands' second-largest supermarket owner, will pay for the purchase by issuing two of its shares for every seven Vendex shares, Vendex said, allowing Vendex shareholders a stake in both companies.

Vendex, in its efforts to become the largest Dutch department-store owner, is focusing on its nonfood business. In February it agreed to buy the retail Royal Bijkorf Beheer NV, owner of the U.S. toy store chain F.A.O. Schwarz.

Vendex spun off its cleaning and temporary-staff services unit into a separate company in a similar way to offer shareholder participation in both.

Investor's Europe

Frankfurt DAX	London FTSE 100 Index	Paris CAC 40
5400	6200	4200
5050	5800	3900
4700	5500	3600
4300	5200	3300
4000	5000	3000
3500	4700	2700
3200	4500	2500
3000	4300	2300
2800	4100	2100
2600	3900	1900
2400	3700	1700
2200	3500	1500
2000	3300	1300
1800	3100	1100
1600	2900	900
1400	2700	700
1200	2500	500
1000	2300	300
800	2100	100
600	1900	0
400	1700	0
200	1500	0
0	1300	0

Very briefly:

- **RAO Gazprom**, the state-controlled Russian gas monopoly, said the government was pressing it to acquire the oil company RAO Rosneft in bidding that closes Tuesday because other potential bidders appeared to be too short of cash to pay the minimum price of \$2.5 billion.
- **AO Yukos Oil Co.** and **AO Sibneft** called off merger talks because of the recent volatility in Russian capital markets and continuing weak oil prices. The companies said they would focus on restructuring individually but still would carry out previously announced joint projects.
- **Germany's** low inflation rate shows few signs of rising, giving the Bundesbank time to nudge up interest rates ahead of monetary union, analysts said after reports from Bavaria and Baden-Wuerttemberg suggested that Western Germany's preliminary inflation rate for May would be little changed from the 1.3 percent annual rate registered in April.
- **European Union** foreign ministers approved a mandate for fast-track negotiations on a free-trade accord with Mexico, with negotiations expected to begin after Austria takes over the EU presidency from Britain in July.
- **Saab Automobile AB** announced investments totaling 1.2 billion kronor (\$156.1 million) at its Trollhattan car factory and Gothenburg transmission plant and reiterated that it expected to post a profit for the fourth quarter of this year and all of next year but a loss overall for 1998.
- **Israel's** central bank cut the rate at which it lends to banks by 0.3 percentage point, to 11.6 percent, its lowest level in four years. The new rate takes effect Thursday.
- **Bouygues SA** is considering buying Cable & Wireless PLC's 20 percent stake in its Bouygues Telecom venture, which would give Bouygues majority control and block C&W's plans to sell the stake to Telecom Italia SpA.
- **South Africa's** economy grew at a seasonally adjusted annual rate of 0.7 percent in the first quarter of 1998, less than many economists had expected, as gold production fell and manufacturing remained weak.
- **Thyssen AG** won a contract to build the longest escalator in Central Europe — a 100-meter (330-foot) moving staircase in a subway station in Prague.

Pinault to Offer Phone Services in France

Bloomberg News

PARIS — Pinault-Printemps-Redoute SA, a French retailer, said Monday it would begin offering telephone services in France next week that will undercut France Telecom SA's rates by as much as 70 percent.

Kerel, its newly formed phone-services unit, will offer prepaid phone cards through Pinault's French retail outlets FNAC, Conforama, Printemps and Redoute. The cards also will be available through the supermarket chain Casino Guichard-Perrachon SA, Shell service stations and Telecel, an independent distributor of communications equipment.

Several French companies began offering phone services after the opening of France's market on Jan. 1. Bouygues Telecom, a unit of Bouygues SA, Cegetel, a subsidiary of Vivendi SA, and the supermarket group Auchan SA have offered lower rates to steal customers from state-controlled France Telecom, which had the monopoly.

"Through FNAC, Conforama and Printemps, Pinault has access to a large number of customers, and this is definitely a big asset," said Emmanuelle Thollon-Pommeroy, a retail-industry analyst with Oddo Equities in Paris.

According to Pinault's chief executive, Serge Weinberg, the French

market for phone services for individuals is estimated at 40 billion francs (\$6.77 billion). It is expected to grow 4 percent to 5 percent a year, Mr. Weinberg said. About 6.3 million people own credit cards for Pinault-Printemps retail outlets, he said.

As a result of deregulation, France Telecom is now obliged to lease its network to other companies. Kerel will use France Telecom's network for most local calls. For long-distance calls, it will choose the network that is cheapest. Its other network suppliers include Colt Telecom Group, WorldCom Inc. and Teleglobe Inc., the company said.

Pinault's shares rose 128 francs, or 2.7 percent, to 4,838 in Paris.

Credit Lyonnais To Sell Shares To Aid Solvency

Compiled by the Staff of the Parisian

PARIS — Credit Lyonnais SA's investment certificates rose Monday after the state-owned bank said it planned to sell one-third of its shares to institutional investors to increase its capital before privatization.

The bank said it would sell between 5 billion and 10 billion francs (\$846.2 million to \$1.69 billion) of shares this year to help raise its solvency ratio — a measure of assets to equity — to 6 percent from 4.8 percent.

The company agreed last week to sell most of its foreign assets in return for a government bailout valued at more than 125 billion francs, the biggest in European Union history.

The French bank is open to "free and friendly" discussion with potential banking partners, its chairman, Jean Peyrelevade, said in an interview with the Financial Times. The bank recently rejected the idea of being bought by Deutsche Bank AG, Germany's largest bank.

The bank's nonvoting shares closed at 617 francs, up 1.48 percent. (Reuters, Bloomberg)

Ruble and Deficit Send Russian Stocks Reeling

Bloomberg News

MOSCOW — Stock prices fell for a fourth consecutive trading day Monday amid concern about the strength of the ruble and the state of Russia's finances.

The benchmark Russian Trading System stock index fell 5.3 percent, or 11.97 points, to close at 213.44.

Foreign investors have been leaving Russian stock and debt markets recently as concern has grown that the risk of putting money into emerging markets such as Russia outweighs potential profits. Mon-

day's stock-market decline was the biggest drop since shares plunged almost 12 percent May 18, when the Bank of Russia raised key interest rates to 50 percent to help prop up the ruble. The benchmark stock index has fallen almost 30 percent since the end of April.

"Until we see some development with the tax situation and the situation with the ruble, probably the best-case scenario will be stagnation," said Oleg Dobritsky, a trader at OLM Investment Co., a brokerage company.

"On the market, there is some fear that a devaluation could occur. We have been hearing this for a while, and it's coming up again."

The government announced last week a plan to cut spending by 40 billion rubles (\$6.5 billion) and lift revenue by 10 billion rubles to try to get control of its ballooning budget deficit.

The ruble strengthened against the dollar, which fell to 6.152 rubles from 6.154 rubles at Friday's close, according to the Moscow Interbank Currency Exchange.

WORLD STOCK MARKETS

Monday, May 25

Prices in local currencies.

High Low Close Prev.

Amsterdam

ASEX index: 1218.62

Previous: 1214.41

ABN-AMRO 52.30 51.40 51.70

Amstel 154.40 153.10 154.30

Alm 154.40 153.10 154.30

Alm 154.40 153.10 154.30

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High Low Close Prev.

Johannesburg

ABSA Group 44.15 42.40 42.50

AngloGold 100.00 98.00 98.50

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High Low Close Prev.

Milan

Alitalia 11.00 10.80 10.90

Alitalia 11.00 10.80 10.90

Alitalia 11.00 10.80 10.90

Alitalia 11.00 10.80 10.90

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May 25, 1998

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ASIA/PACIFIC

Labor Unrest Sends Seoul Shares Sliding

Compiled by Our Staff From Dispatches

SEOUL — The stock market plunged 6.8 percent to an 11-year low Monday despite the lifting of limits on foreign shareholdings as fears of labor unrest intensified.

The militant Korean Confederation of Trade Unions, meanwhile, stood by its threat to strike Wednesday unless the government and companies accepted its demands, including an end to rising layoffs.

"We stand by our threat unless our demands are met by Tuesday night," a confederation spokesman said. The Korean Confederation of Trade Unions, one of the country's two umbrella labor groups, has about 550,000 members in such key sectors as the automotive, shipbuilding and steel industries.

The confederation is demanding an end to mass layoffs and to the use of temporary workers. It also wants job-security guarantees, a tripling of an unemployment fund to 10 trillion won (\$14.5 billion), a dismantling of major conglomerates and a renegotiation of South Korea's \$60 billion rescue accord with the International Monetary Fund.

Last week, Hyundai Motor Co., South Korea's biggest carmaker, said it planned to lay off 8,200 workers, or about one-fifth of its work force.

The union spokesman said about 93,000 union members from 130 companies had already confirmed they would stop work at 1:00 P.M. Wednesday. He said strikers would rally in Seoul and elsewhere.

Government officials took a tough stand, warning that any strike action would be viewed as illegal and would "lower the country's overseas credibility and cause disorder in work sites."

A spokesman said the government and South Korean companies would "do all possible to persuade union workers from going on strike because they will definitely have a negative influence on the overall economy and get in the way of corporate restructuring."

The government announced last week that a record 1.43 million people were out of work in April as the jobless rate rose to 6.7 percent, equaling a high set in February 1986. Many analysts expect the unemployment rate to rise further as the recession bites deeper and mass layoffs spread.

In January 1997, the union confederation staged a three-week general strike over a similar layoff law, bringing much of the country's heavy industrial sector to a halt. Then-President Kim Young Sam ended the strike by agreeing to postpone the law.

But this January, under pressure from a new government to cooperate in the midst of a debt crisis, the confederation agreed to allow implementation of the law.

On Monday, the confederation accused the government and the companies of not upholding their end of a subsequent agreement, signed in February, that called for labor, corporations and government to share the hardship from the financial crisis that forced South Korea to seek IMF aid.

The Seoul composite index slid 24.15 points Monday to 331.90, its lowest since Feb. 26, 1987.

South Korea fully opened its stock market to foreigners Monday, lifting a 55 percent limit earlier than originally scheduled in the hope of luring foreign funds into the shaky market. The ceiling on foreign holdings in state-run companies also was raised, to 30 percent from 25 percent.

But the move, against the backdrop of labor unrest, appeared to be of little immediate interest to foreign investors. (AFP, Reuters)



Foreign-exchange traders in Bombay fielding calls Monday.

More Losses at Japan Banks

Reuters

TOKYO — Ten of Japan's biggest banks said Monday that they had losses totaling 1.29 trillion yen (\$9.54 billion) in the previous business year because of massive disposals of bad loans, but that they would return to profit in the current year.

The 10, including Industrial Bank of Japan Ltd., the country's biggest commercial bank, joined eight other Japanese banks in announcing huge loan write-offs for the year ended March 31. Of the group, 13 reported pretax losses for the 1997-98 financial year.

The earnings figures reflected the recalculation of problem loans under stricter U.S. accounting rules. Analysts had for years said the banks understated the size of the problem, and the new figures

for the 18 major banks showed a jump of nearly 40 percent to an estimated 21.7 trillion yen.

All of the top banks took one-time charges against earnings to help cover existing and potential loan losses from the past business year before the start in April of stricter banking supervision.

All 18 banks predicted that they would be profitable for the year ending next March 31, but analysts said Monday that the forecasts did not mean the banks' problems were behind them. They said that even the stricter rules probably excluded trillions of yen in loans that are likely to go sour.

Among new fears are that Japan could face a crisis this year because of the new supervision system that may pull the rug from under troubled construction companies.

Tokyo Office Rents Fall for 6th Year

Bloomberg News

TOKYO — Office rents here fell in 1997, their sixth consecutive annual decline, as real-estate companies increased the supply of new offices, a private research company reported Monday.

Average monthly rents for new offices in Tokyo fell 3.9 percent in 1997 from the previous year, to 17,940 yen (\$132.64) per square meter, or 35.5 square feet, Ikoma Data Service System Co. said.

Real-estate prices have declined every year since Japan's asset-inflated "bubble" economy ended in 1991. The new economic downturn that began last year when the government raised taxes has pushed land prices and office rents still lower, though rents for large, centrally lo-

cated buildings are starting to rise.

"There is cause for concern that there will be an oversupply after 1998," Ikoma said in the report. The research company forecast that landlords would supply nearly twice as much new office space this year as last year. Many companies are moving to cheaper offices or negotiating new contracts to cut costs, squeezing major land developers' profits.

Still, the company forecast that Tokyo office rents would rise 2 percent this year and would continue rising at that rate through 2003. It also said the office vacancy rate in Tokyo fell 1.3 percentage points in 1997, to 4.7 percent, the third consecutive yearly decline. Occupancy rates have been outperforming commercial real-estate prices, which are still declining but at a slower rate than before.

Rupee Falls In Wake of Sanctions

Compiled by Our Staff From Dispatches

BOMBAY — The rupee fell 0.8 percent to a record low Monday after Standard & Poor's Corp. said it might lower India's credit rating because of a possible cutoff of foreign capital after the United States imposed economic sanctions on the country.

The dollar closed at 40.97 rupees in Indian trading, compared with 40.65 rupees Friday. "The situation is dicey; the rupee is under pressure," said S. Surendranath, corporate chief at Bhatnagar & Karani Forex Management Services Ltd.

Although India's central bank did not intervene directly, it supported the rupee by selling dollars through the State Bank of India, dealers said.

The U.S. sanctions, which include a ban on exports of computers and other high-technology products and loans to the Indian government, were imposed in response to India's five nuclear test explosions on May 11 and May 13.

S&P, which on Friday lowered its outlook on India to negative from stable, also lowered its outlook for some of India's largest companies. The move could raise borrowing costs as foreign lenders charge Indian companies more for loans, hurting profits and slowing India's economic growth.

"A ratings downgrade could occur if economic sanctions materially worsen the country's access to external funding, lower its growth prospects and exacerbate its already high fiscal deficit," Standard & Poor's said.

India's stock market, however, showed little reaction. The Bombay stock exchange index closed Monday at 3,908.11, up 0.28 percent.

Flows of foreign capital into India have slowed this year. Provisional data released by India's capital-markets regulator showed that foreign institutional investors withdrew \$130 million in the first half of May. Dwindling foreign-currency earnings from exports were another source of concern, currency dealers said. Exports grew only 3 percent in the year ended March 31, while the trade deficit widened to \$6.8 billion from \$5.4 billion.

In addition, data released by the central bank over the weekend showed that India's foreign-exchange reserves fell to \$28.67 billion as of May 15 from \$29.19 billion the previous week, a drop of 1.8 percent. "What really worried people was not the fall in reserves but the rate of fall," one currency trader said. (Bloomberg, Reuters)

Investor's Asia

Hong Kong	Singapore	Tokyo
Hang Seng	Straits Times	Nikkei 225
13000	2000	17000
12000	1800	16000
11000	1600	15000
10000	1400	14000
9000	1200	13000
8000	1000	12000
7000	800	11000
6000	600	10000
5000	400	9000
4000	200	8000
3000	0	7000
2000	0	6000
1000	0	5000
0	0	4000
1997	1997	1997
1998	1998	1998
1999	1999	1999
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2021	2021	2021
2022	2022	2022
2023	2023	2023
2024	2024	2024
2025	2025	2025
2026	2026	2026
2027	2027	2027
2028	2028	2028
2029	2029	2029
2030	2030	2030

Very briefly:

- Japanese department-store sales in April rose 8.3 percent from a year earlier to 716.5 billion yen (\$5.3 billion), while those at chain stores rose 1.8 percent, to 1.39 trillion yen. The increases largely reflected the sharp decline in personal consumption in the year-earlier month, when the government raised the national sales tax to 5 percent from 3 percent.
- Fidelity Investments Japan, a unit of the largest U.S. fund manager, said its funds under management rose 40 percent in the first four months of the year, to 397.2 billion yen.
- Thailand plans to sell as much as \$2 billion of international bonds in July, a month later than previously planned, in the country's first international debt sale this year.
- The Australian government raised about 350 million dollars (\$221 million), which it said was "substantially" more than expected, through a sale of spectrum for mobile telephone service. Four companies won the right to join the country's three existing mobile-phone providers.
- Minolta Co.'s group net profit rose 60 percent, to 16.4 billion yen, in the year that ended in March amid steady sales of copy machines and printers. Sales at the camera maker rose 9.4 percent, to 490.3 billion yen.
- Nippon Express Co.'s group net earnings fell 1.7 percent, to 27.04 billion yen, in the year to March 31 as depressed demand for domestic transportation services was only partly offset by healthy export growth. Sales fell 0.2 percent, to 1.78 trillion yen.
- A Japanese Finance Ministry inspector, Toshio Miyano, expressed regret and pleaded guilty to accepting bribes in the form of entertainment valued at \$40,000 from major brokerages including Nomura Securities Co.
- Nissan Motor Co. introduced a redesigned Skyline sports car into Japan's lackluster market for sedans, hoping to lure customers with horsepower and race-car-like handling. Prices range from 2.9 million yen for the base model to 3.07 million yen for the 25GT-X Turbo.
- Samsung Motors Inc. of South Korea conceded that its joint-venture negotiations with Ford Motor Co. were faltering. (AFP, Bloomberg, Reuters)

Indonesia Seeks Aid to Head Off New 'Upheaval'

Indonesia's new government is under intense pressure to carry out sweeping political reforms at the same time as it tries to revive an economy mired in deepening recession. In Jakarta, Dewi Anwar Fortuna, an Indonesian political scientist who is a senior aide to President B.J. Habibie, discussed the country's problems with Michael Richardson of the International Herald Tribune.

Q. Does Mr. Habibie feel he has a mandate to remain for a full term as president, until 2003?

A. Under the constitution, he has a mandate to carry on until 2003. But the political reality at the moment is that a lot of people have not really given their support to the government. So now it is up to the government to show that it can carry on for the next five years.

Q. How?

A. It must demonstrate that it is

Q & A / Dewi Anwar Fortuna

serious about reform. It will have to eradicate all the practices of corruption, collusion and nepotism that finally brought Suharto's government down. This will not be easy considering how business was done in Indonesia for the past 32 years. There will have to be an anti-trust law to ensure fair competition. As president, Mr. Habibie will have to try to restructure the economy so that those who are poor or frustrated will have hope things will get better.

But this task is beyond the power of the Indonesian government alone. The government will need political support at home and financial assistance from the international community if it is to do what it has promised to do.

Q. Are you concerned that the International Monetary Fund and the World Bank, under pressure from the government of the United States, are withholding loans and aid until there is firm evidence of political reform?

A. It does worry us. This government will have to carry out political reforms because its survival depends on them. But the Indonesian economy and people cannot wait six months or however long it will take to prepare the reforms and enact them into law. Meanwhile, the economy is devastated and people are starving.

Q. If the economy does not improve soon, I am scared that the social upheaval we saw in Jakarta just a short time ago, which was a sign of

the revolt of the urban poor, could erupt again. That would make it much, much more difficult for Indonesia to recover.

Q. What should foreign governments and international financial institutions be doing to encourage reform?

A. They should act as friends and partners. The Habibie government has said that it will carry out reform. It should be given the opportunity to prove that it can.

The Indonesian economy cannot wait for six months or a year for the assistance that is required immediately. There is a need for international confidence to be restored in the ability of the government to carry out the reforms. At the same time, foreign governments and institutions can say: Look, if you do not implement the reforms you have promised, we will suspend aid.

YEN: Currency Tumbles Again on U.S. Remarks

Continued from Page 13

nancial markets, economists agree.

The report that drove the yen down appears in the magazine U.S. News & World Report, and quotes unnamed sources as saying that Mr. Rubin is "willing to let the Japanese yen keep plunging — below the 140-to-the-dollar level and even to 150 — if that's the only way to keep the world's second-biggest economy from totally collapsing."

A cheaper yen would make Japanese products more competitive in other currencies, boosting the country's trade prospects.

Asked Sunday in Canada, where he was attending a meeting of Pacific Rim finance ministers, if the report were correct, Mr. Rubin responded that "our dollar policy remains absolutely unchanged."

He said, however, that Washington "shares" Japanese concerns about a weak yen.

Last week, the yen fell sharply after leaders of the major industrialized countries ended a meeting in Birmingham, England, with no comment at all on what they thought was an appropriate level for the currency.

In Tokyo, Prime Minister Ryutaro Hashimoto said Monday that he was unhappy with the yen's slide.

"Everyone is losing too much confidence in the Japanese economy and is too sensitive to every market move," he said, according to Agence France-Presse. "I would like them to have confidence in the aptitude possessed by Japan and the Japanese people as well as their technological and historical assets."

Among the most nervous economies over the prospect of a weaker yen is Taiwan, which has publicly criticized the Bank of Japan for allowing the yen to weaken. On Monday, new rules came into effect in Taiwan, banning local residents and companies from trading nondeliverable forward currency contracts, a way of hedging against a fall in the Taiwan dollar.

While most economists share the view of Mr. Dong at Credit Suisse that the Chinese yuan will remain steady, a weakened yen has dented their conviction. A regular

survey of fund managers by Merrill Lynch and Gallup found this month that 14 percent of Asian managers believe the yuan will be depreciated before the end of the year. That may not seem like a large proportion, but in March none of those surveyed held this view and in April just 6 percent did.

In addition to the fact that the currency is not fully convertible, China's current account, or trade balance, is still in a strong enough position to ward off threats of black market trading at substantially weaker levels from the current one, economists say.

Still, China's economy is slowing: exports rose by less than 8 percent in the first four months of the year compared with the same period in 1997. That was a substantially

slower growth rate than the 13.2 percent increase in the first three months.

A dissenting view on Asian currency vulnerability came from Christopher Wood, global strategist for Santander Investment. He said that with surging current account surpluses and slowing credit growth, Southeast Asian currencies have bottomed out.

The economies under threat from a weaker yen are those that have not yet seen their currencies adjust, he said: Hong Kong and China.

The major risk in holding Southeast Asian currencies is not economic, in his view, but socio-political, presenting the threat of violence as seen in Indonesia this month "as the economic pain moves from the financial markets to Main Street."

MINDANAO: A Hotbed of Philippine Insurgency Starts to Think About Investors

Continued from Page 13

here who was celebrating his election as governor of Sultan Kudarat, one of the provinces through which the highway runs.

"Our mission is to establish order so they will want to come," he said. Some say they are well on the way to achieving that goal.

The government last year signed an agreement with the Moro National Liberation Front to integrate its forces with those of the Philippine army and national police, hold elections and provide aid.

Next, negotiators hope to reach a similar agreement with the Moro Islamic Liberation Front, which is regarded as considerably more militant but still amenable to a deal that would leave it some measure of autonomy.

Peace, however, grows out of the barrels of the guns of the marines and soldiers who were rushed here several months ago as almost daily kidnappings and shootings were ruining any chance of luring the kind of investment for which the rest of the region was competing.

"The kidnapping has stopped since the government decided to bring in more forces," said Nestor Lemana, an administrator for a group of Catholic schools and universities in the area.

"Now the periphery of this city is covered with security personnel."

The troops do surround this city of about 150,000 people, divided between Muslims and Roman Catholics. They inspect vehicles on all the main roads in and out of town while patrols of marines and army soldiers supplement the Philippine national police, who are widely viewed as corrupt and inefficient force more

interested in extracting bribes than keeping the peace.

"Even if the kidnapping has stopped, investors are not staying here," Mr. Lemana said.

"Now the people are suffering from drought. There is danger of starvation in some areas."

The drought may end with the coming monsoon, but the reality remains that the people of this region of southern Mindanao have long been among the country's poorest. The region's per-capita output last year was less than half the Philippines' gross national product of \$1,159 a person.

While much of the rest of Mindanao is growing dramatically in terms of both industry and agriculture, this area lags dangerously behind.

"In the city, even the very poor can still live decently," Mr. Lemana said, "but in the rural areas, the disparity becomes very clear, and the Muslims are much poorer than the Christians."

Renee Subido, who works with a U.S. program for encouraging investment in all Mindanao, sees an image problem. "When you say Corabato, people think you're having troubles," he said.

While foreign investment in the Philippines rose more than \$1 billion in 1997 from the year before, almost none went into this city or the surrounding provinces despite their potential for turning out coconuts, palm oil, mangoes and other products.

Philippine authorities, however, see economic development as the best hope for bringing a lasting peace to a region roiled by Muslim rebellions for centuries.

Rebel leaders often proudly note

that the word "Moro" was bequeathed their ancestors by Spanish colonialists, who equated them with the African Moors who had been driven from Spain.

Only a few thousand rebels, most of them with the Moro Islamic Liberation Front, are believed to still be holding out in the jungles in hopes of establishing an independent Muslim state.

Muslims compose at most about 20 percent of Mindanao's 18 million people, most of them descendants of Catholic immigrants from other parts of the Philippines.

"Things have changed totally," said Jesus Dureza, who is responsible for coordinating government policy in Mindanao.

"The people have turned around. The fact that we're talking to the Moro leaders is good enough. I can call them and say, 'Let me verify a report,' and they will cooperate."

The question, however, is how to bring about a peace that is durable enough to satisfy potential investors.

Zacaria Candan, governor of Maguindanao Province, which borders this city, talks of organizing trade missions to Malaysia and Australia to advertise the potential for investing in agriculture.

He dreams of setting up a special economic zone for food-processing and other light industry.

So far, however, he is finding few takers.

"All the projects, the investors, have not actually touched ground," he said, while reviewing election returns that showed him a narrow winner in a race for re-election as governor.

He was especially skeptical of the

record of Nur Misuari, the leader of the Moro National Liberation Front. Mr. Misuari, who was elected in September as governor of four provinces banded together as the Autonomous Region of Muslim Mindanao, is rarely seen at his elaborate headquarters complex on the edge of the city.

"I am afraid his term will expire next year without being able to show anything," Mr. Candan said.

The worst fear is that the current peace could break down and extremists gain the upper hand.

A notice on a bulletin board at the airport cited "the state of violence characterized by public executions" and kidnappings by an Islamic terrorist group known as Abu Sayyaf as evidence that Moro leaders were "nothing but fanatic terrorists who use Islam religion as an excuse."

The notice was signed by "United People's Movement for Peace," a Christian group of uncertain membership and backing.

For investors, though, the message was clear.

"All the trouble is in surrounding provinces," said Antonio Santos, who built and opened the city's leading hotels after rebels drove him from farming investments outside the city. "We were able to eradicate kidnapping in the city. Now we have to make it safe everywhere else."

As it is, this city has become almost a sanctuary.

"Many people work outside the city and move back to their residences in the city at night," Mr. Lemana said. "Most of the mayors from Maguindanao Province live here. They need the marines and army to protect them."



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at 69, route d'Esch, the

Annual Shareholders' General Meeting

with the following agenda:

1. Directors' Reports
2. Auditors' Reports
3. Approval of the Consolidated and Parent Only Financial Statements for the year ended December 31, 1997.
4. Appropriation of 1997 net income of the parent company.
5. Discharge of Directors and Auditors.
6. Directors' and Auditors' fees for 1997.
7. Authorization to the Board of Directors to repurchase Company's shares.

In order to be able to attend the ordinary general meeting, holders of bearer shares will have to deposit their bearer shares five clear days before the date of the meeting at the Registered Office of the company or with one of the following banks:

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- in Italy: all the leading banks;
- in Switzerland: Credit Suisse;
- Banca Commerciale Italiana (Suisse);
- in France: Lazard Frères & Cie.
- in the Federal Republic of Germany: Commerzbank;
- in Great Britain: SBC Warburg, Lazard Brothers & Co.;
- in the Netherlands: ABN-AMRO Bank;
- in Belgium: Banque Bruxelles Lambert.

Every shareholder may be represented at the shareholders' meetings by a proxy, who need not himself (herself) be a shareholder.

Shareholders may, on and after May 26, 1998, inspect at Banque Internationale à Luxembourg, 69, route d'Esch, the reports of the Board of Directors, the annual financial statements and the text of the proposed resolutions.

THE BOARD OF DIRECTORS

NORTH AMERICAN EXCHANGE PROGRAMS

GOLDEN ANNIVERSARY: OUTREACH FOCUS

The association's goal is for higher education to penetrate all corners of the globe.

NAFSA: Association of International Educators celebrates its 50th anniversary this year. The association is a global resource for the universities that are training tomorrow's leaders. NAFSA sets national standards for and promotes the exchange of students and scholars to and from America's colleges and universities.

NAFSA's 8,000 members are found at more than 2,000 colleges and universities in 60 countries. Members represent and support nearly 500,000 foreign students and scholars from more than 200 nations and territories currently studying, researching or teaching in all 50 states, and 90,000 American students who study abroad in 90 countries every year.

The international education sector is an important component of the U.S. economy. Since 1989, U.S. exports of higher education services increased at an average annual rate of 11 percent, and the exchange of students and professionals represents more than 90 percent of the nation's international trade in education services. There are nearly half a million foreign students and scholars in the United States, who spent an estimated \$4 billion in living expenses (\$7 billion including tuition fees) in the 1996-97 academic year.

It is increasingly common for companies to recruit U.S. graduates who participated in an educational exchange program — or to seek workers from other countries who have studied in the United States. According to the Wall Street Journal, major corporations in 1995 required candidates with international experience in 28 percent of senior level searches, compared with only 4 percent five years earlier.

NAFSA has developed a

number of special programs to link international exchange students with businesses and government agencies hiring students upon completion of their education. In Asia and in some of the world's newly independent states, NAFSA's ASPIRE (APEC Student Professional Integration and Reentry) program connects the 100,000 students returning home with companies seeking to recruit U.S.-educated Asians.

With funding from the U.S. Information Agency and higher education institutions, NAFSA has assisted more than 1,000 students from the Commonwealth of Independent States and Eastern Europe studying in the United States. ASPIRE offers these students job search skills, networking opportunities and other knowledge essential to their role in developing free markets and strengthening democratic civil societies in their home countries.

The broad impact of the

Asian financial crisis on the lives of thousands of Asian students studying in the United States has led NAFSA to new cooperation with government and business leaders. With more than 250,000 students from Asia in the United States (almost 60 percent of the total population of international students in the United States in 1996-97), the crisis had acute repercussions on the nation's campuses. Of these students, nearly 17,000 come from the countries most severely affected by the crisis.

NAFSA has been an advocate with the Immigration and Naturalization Service in seeking temporary changes in visa regulations to help students. NAFSA has also developed an information clearinghouse with help from USIA. The clearinghouse provides regularly updated information on the Web to help students and their advisors through the financial crisis.

In addition, working with

the U.S.-ASEAN Business Council, NAFSA has established a program of supplemental grants to assist students.

Support from the corporate community — Unocal Corporation, Star Foundation, Caltech, Hambrecht & Quist Asia Pacific, Ford Motor Company, CNG International, ARCO and the American Express Foundation, to date — has provided the funds for these scholarships.

As the 21st century approaches, American higher education plays a vital role in shaping the values of successor generations of world leaders in government, industry and education. NAFSA is committed to ensuring that the nation's higher education resources are fully committed to this goal.

Current information about NAFSA membership services, programs and publications is available on the Web at www.nafsa.org.

Gary Althen,
NAFSA President



Portraits of presidents: more and more of tomorrow's leaders are studying abroad.

BUILDING GLOBAL LEADERSHIP BY PROMOTING OVERSEAS STUDY

Employers are looking for university graduates who can operate effectively on the international stage. International exchange programs develop these skills on six continents.

Today's world operates on the basis of exchange — whether of ideas, goods and services, capital, or the people who move these things along. NAFSA: Association of International Educators, gives people a start through the work of more than 8,000 members in 60 countries who are dedicated to sharing knowledge and fostering understanding between disparate peoples and cultures.

"I know how important it is for new university graduates to be able to operate effectively on the international stage," says NAFSA's

recently installed executive director, Marlene M. Johnson. "Employers know it, too. And they are looking to our universities for the internationally proficient graduates they need to do business around the world."

NAFSA's on-campus members facilitate international exchange on more than 2,000 college and university campuses in 11 U.S. regions. As a direct result, "NAFSA and its members play a key role in the growth and vitality of the world's best university system — a real U.S. national treasure," says Ms. Johnson.

There are 1.2 million students this year studying outside of their home, of these, 470,000 have chosen to study in the United States. This contributes \$7 billion to the U.S. economy.

NAFSA serves its members by:

- Providing professional training for its worldwide members.
- Hosting regional and national conferences.
- Providing information and discussing issues through an electronic communication system and the World Wide Web.
- Facilitating the international mobility of foreign students.
- Providing embassies,

consulates and international visitors with an information bank on jobs, scholarships/stipends and the status of foreign students in the United States.

Working to further international exchange by setting and upholding high standards in admissions, health and safety, the quality of teaching (ESL) and the cultural experiences of foreign students in North America.

Linking corporate recruiters with students, providing grants for in-service training and lobbying Congress on behalf of foreign students by advocating support for exchange programs and eliminating barriers to exchange programs.

"NAFSA was founded 50 years ago to promote the professionalization of people working with foreign students," says A. Lee Ziegler, co-chair of NAFSA's 50th anniversary celebration and a former director of the Bechtel International Center at Stanford University. "It set out to help people in international student exchange become better practitioners. Professional development is one of our mainstays. It makes people better in their jobs, gives them more global awareness, helps them with counseling skills and teaches them how to become better teachers of ESL."

For six days (May 24 and 29), NAFSA will host its golden anniversary in Washington, DC. Five thousand delegates from around the globe will attend 38 pre-conference workshops, 200 general sessions, 11 poster sessions and an all-new Embassy Fair.

"The fiftieth is a great celebration," says Mr. Ziegler. "We come from a lot of different directions which are dedicated to improving the lives of our foreign students. It takes something like NAFSA to pull it all together. And we are celebrating this by having a grand time."

The conference's theme is "Building Global Leadership." Participants will have the opportunity to explore

with their colleagues from all over the world the changes and rewards of building leadership through student exchange. The Hon. Franklin D. Roosevelt, South Africa's Ambassador to the United States, will open the Keynote Plenary, at which U.S. President Bill Clinton has been invited to speak. NAFSA will grant its highest award, the Marita Houlahan Award, at the ceremony. "NAFSA has taken the bull by the horns by making this a global world of learning," says Evelyn Levinson, director of Educational Information Services, a U.S.-Israeli educational foundation. "It has good reason to rejoice."

Malcolm MacPherson

The University of Findlay

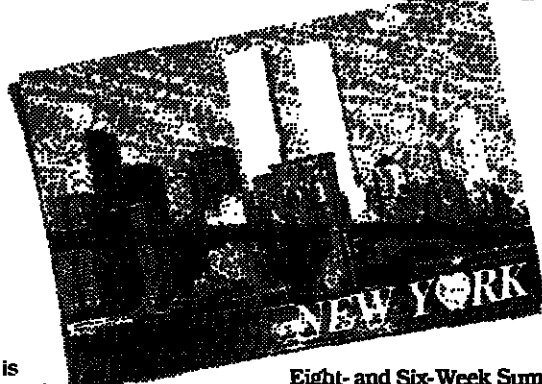
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NORTH AMERICAN EXCHANGE PROGRAMS

STANDARDIZATION IS KEY

NAFSA helps clarify admissions standards in different countries.

The admission of foreign students to foreign universities can be a game of comparing apples and oranges. Students and administrators struggle to find a basis for comparison in a polyglot and polymorphic global system, and the process of applying to a foreign university can be fraught with chance, confusion and disappointment.

A thorny problem
NAFSA has faced this thorny problem. "At some institutions, there is an applicant from [virtually] every country in the world," says Diana Lopez, director, Graduate Admissions and Records at the University of Tennessee-Knoxville, and a NAFSA advisor on admissions. "We at the University of Tennessee have many applicants from China and India, yet we might get only one from Mozambique, and we aren't sure what to do with that applicant's transcript. All you have are paper documents to go by."

"Admissions is a large part of the equation of study abroad, because nothing happens unless we say it does. And I don't know if we could do any of this well without NAFSA, which has provided standardization from country to country, giving clarity to a variety of educational expe-

riences that are potentially very confusing because they compare apples with oranges."

The admissions system, while still far from uniform, now offers students and admissions offices some clarity. In the absence of U.S. federal admissions guidelines, NAFSA created a uniform policy for its member institutions to follow. The admissions criteria, known as the Wingspread Principles, ensure, first and foremost, that the goals of foreign students are related directly to the goals and policies of the institutions that they are applying to.

NAFSA has urged institutions to provide admissions materials that are thorough and clearly written and are available to applicants who may not be familiar with U.S. education — or even the English language.

The complete student
The guidelines provide applicants with detailed information to help them make decisions. Realistic information about the cost of study and living expenses, as well as the availability of financial aid, are provided. English-language requirements are clearly spelled out. If admitted initially for an English-language training program, a student is told exactly what

commitment the institution accepts for the student's education in another of its academic programs. The guidelines also spell out the complexities of applications and admissions procedures.

The NAFSA guidelines also offer prospective students information about the different requirements of academic programs, in addition to complete information regarding the conditions of admission and acceptance, fee deposits, orientation and all steps to be followed before arrival.

Determining goals
The student's educational goals are determined by the admitting institution, and a responsible judgment is made about whether these goals can be achieved. Admissions decisions are also made using academic documents, English proficiency reports and other supporting materials.

NAFSA endeavors to have the admissions process conducted by trained admissions officers who can interpret foreign educational records. At the undergraduate level, faculty advice enhances foreign student admissions. In foreign graduate admissions, where deans' offices and faculty committees often play an important role, the advice and recommendations of admissions staff are considered in the decision process.

Whenever possible, admissions personnel use sound evaluations and coordinate their efforts with centers responsible for English-language training, academic programs and student-advising services.

As part of the procedure, and to better help student applicants make informed decisions, NAFSA created Overseas Educational Advisors (OSEAS), a network of 450 offices on six continents, in seven regional centers, that provides applicants with information about study in the United States.

Evelyn Levinson, the

overseas director of OSEAS and the director of the Education Center of the Fulbright Foundation in Israel, helped by her staff of one, fields 29,000 queries each year about study in the United States. Some 2,700 Israelis are studying in the United States this year.

"My job as an advisor, and OSEAS's job in general," says Ms. Levinson, "is to represent higher education outside the United States. OSEAS gives 'the big picture,' a clear picture, representing higher education as a whole, and not just a particular group of schools."

OSEAS's advisors help students make intelligent choices.

"We help them to be realistic about their expecta-

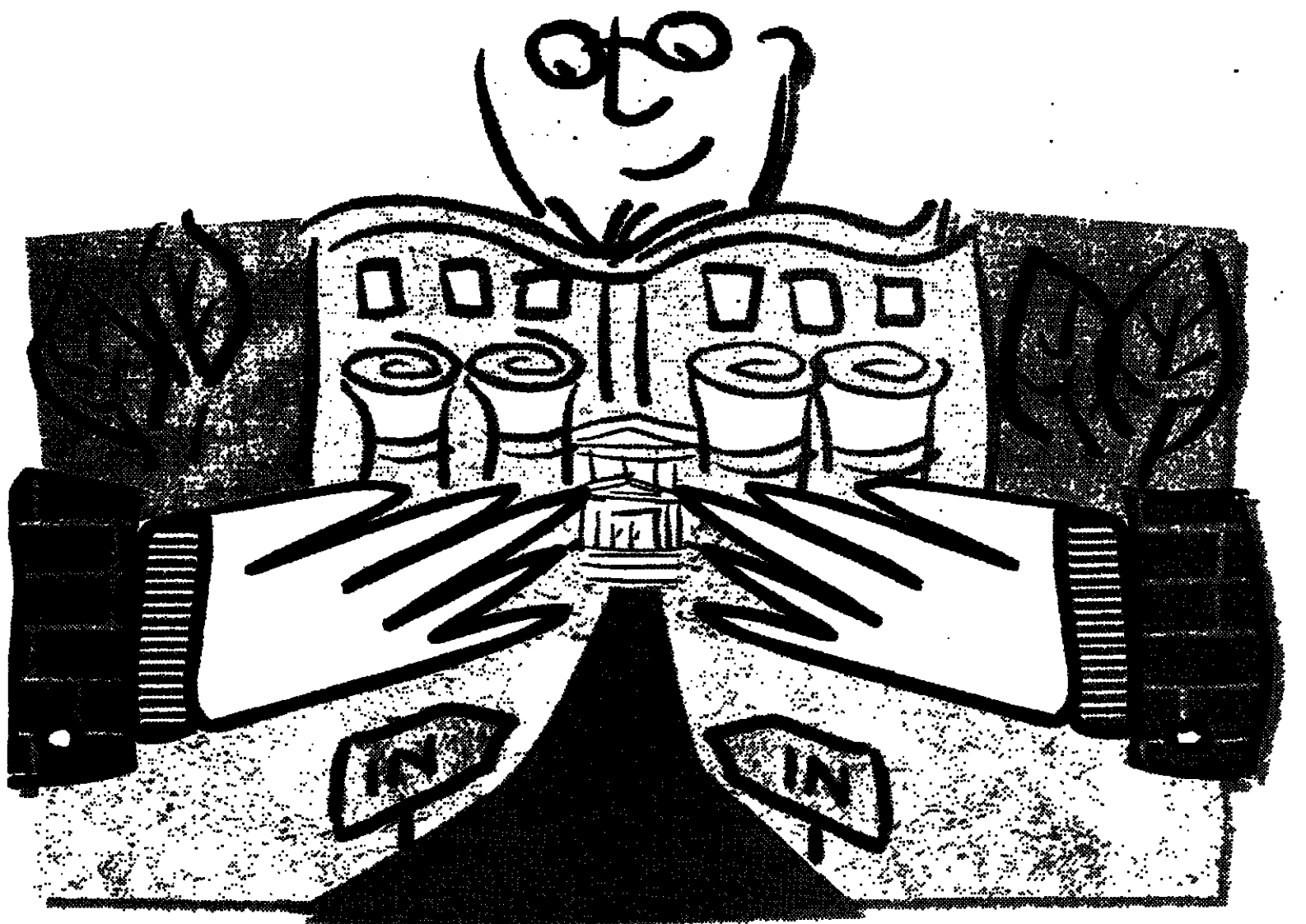
tions," says Ms. Levinson. "We are a front-line group that gives students a correct way to apply to foreign schools without promising them the moon. And we are performing an extraordinary service that benefits a lot of different educational institutions in the United States."

Save these sites
Information about foreign study in the United States can be obtained on the Internet, both through NAFSA (www.nafsa.org) and at in-

stitutions of higher learning. Some sites with specific international pages are:
• Drexel University: www.drexel.edu
• University of Maryland: www.umcp.umd.edu
• Seattle Community College: www.secd.ccc.edu
• Syracuse University: www.syr.edu
• Emory University: www.emory.edu
• University of Tulsa:

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• University of Melbourne: www.unimelb.edu.au

• Global Study Xchange on-line: www.globalstudy.com
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FREE HANDBOOK IS AVAILABLE

The Educational Testing Service (ETS) and NAFSA: Association of International Educators have collaborated to produce NAFSA's "International Student Handbook: The Essential Guide to University Study in the U.S.A."

The handbook — which will first be available at the NAFSA conference on May 26 in Washington, D.C. — helps international students begin the process of living and studying in the United States. In almost 200 pages, it provides information on selecting a U.S. institution, applying for admission, and managing finances, academic life and social life at the university — to name just a few of the topics.

The handbook will be distributed worldwide. It is free except for shipping and handling fees. Check the ETS Web site at www.ets.org for ordering information or stop by the NAFSA or ETS exhibit booths at the conference. Offer good while supplies last.

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NORTH AMERICAN EXCHANGE PROGRAMS

HEALTH & SAFETY CONCERNS TO NOTE

Accidents can happen abroad as well as at home.

Immediately after their arrival from the United States, students studying in Northern Ireland on a program sponsored by the Center for Education Abroad are driven through the mean streets of Belfast "so they can see for themselves the areas to avoid," says David Larsen, the center's director. "Why? Safety is an issue that we take very, very seriously."

Mr. Larsen, along with the other administrators on NAFSA's Health & Safety Committee, stresses the pitfalls for students studying abroad. "Our major concerns, with respect to NAFSA," Mr. Larsen says, "are the health and safety of students we send to study overseas. We want to do everything we can to ensure that their experiences are accident-free."

Mr. Larsen readily admits that there is no such thing as "accident-free."

"We work hard to also ensure that students and their parents understand that there are no guarantees," he says. "We explain this over and over."

The Center of Education Abroad, based at Beaver College outside Philadelphia, Pennsylvania, sends 1,500 students each year from all over North America to study primarily in the United Kingdom and Ire-

land. The center is typical of the 2,000 other institutions under the NAFSA umbrella that administer programs for students studying abroad.

In its 50 years of existence, the center's professional staff has handled a number of crises, including the terrorist destruction of Pan Am flight 104 (a Beaver College undergraduate was returning home from a year abroad), terrorist threats during the Gulf War and the Iranian hostage crisis, and the ongoing dangers of political upheaval (such as sectarian violence in Northern Ireland, at least until recently).

Recently, other overseas study programs have dealt with a bus crash in India that killed four Semester at Sea students and the assault on St. Mary's students in the countryside of Guatemala last year. Added to these are the everyday, but very real, hazards of illness and accident-related injuries and deaths.

Orientation to caution

As a testament to its commitment to safety and health, NAFSA's accident- and health-related mishaps rates hardly differ from those in the students' home countries. But, Mr. Larsen says, "no one can ever anticipate everything, because it is the one that no one knows about that gets you."

To help prepare its stu-



Students need insurance to cover sickness and injury abroad, just in case.

dents, the center conducts week-long orientation seminars on safety and health once the students arrive in the United Kingdom, a week before their academic programs begin. In these seminars, the center's local staffs repeat cautions on preventable accidents by warning students of unaccustomed traffic patterns, pub culture, drug laws, terrorism and other threats particular to their specific city or country.

In developing nations, says Mr. Larsen, "we talk to them about diseases, about drinking water and what to eat and avoid eating. Accepting responsibility is a big part of the overseas experience for these students."

In the end, Mr. Larsen says, many of the preventable accidents come down to a matter of individual judgment.

"Many of these students are 19- and 20-year-olds going away from home for the first time, whether they are studying in America or Americans studying abroad," says Mr. Larsen. "There is a lot of experimentation with freedom and independence, and we spend a lot of time encouraging them to be responsible."

The most common threat to safety is road accidents. "We see the students abroad participating in the same behavior abroad as they would at home, but that behavior is more dangerous abroad," Mr. Larsen says.

Ugly is as ugly does. Drunkenness, in particular, he says, is "a serious problem reflected in the population that goes overseas." If students get drunk and drive in North America, at

least they know the rules of the road. "If they drive home drunk [in the United Kingdom]," says Mr. Larsen, "they are very likely to be on the wrong side of the road, and that is pretty serious. It doesn't take more than a second to injure yourself."

As part of its orientation, the center — and NAFSA in general, wherever the study-abroad programs operate — tries to inform the students of the sensitivities of their host societies. At times, this information does not get through to them.

"Many students are unaware of how drunkenness is regarded," says Mr. Larsen. "There is more shame in foreign cultures than in our own in America, and it reflects ill on the students, who become the 'ugly Americans.'"

Insurance issues. When accidents or illness do occur, NAFSA's first concern is to help the student. One of the obstacles is students with no health insurance, or insurance that does

not cover sickness and injury abroad.

On the other end of the equation, NAFSA informs students who are about to study in the United States about the health-care system, which may differ radically from that of many foreign countries. Many foreign students are unfamiliar with the American fee-for-service approach to health care and are often confused by health insurance, specialized medicine and high hospital costs. Complex medical forms and the concept of routine physical examination prevalent in the United States can also be intimidating.

In May 1997, NAFSA formed a task force to formulate a set of health and safety guidelines for sponsoring institutions. Since then, NAFSA has sought the endorsement of its guidelines by the major organizations that send students abroad.

"We want every student to be insured," Mr. Larsen says. "But in the end, we can only advise and hope." M.M.

A PARENT'S GUIDE TO STUDY ABROAD

Students may also find a lot to learn in this guide.

Every student who studies abroad leaves behind parents who wonder and worry about their child far away. Now, a book offers a wide range of advice to parents on how to handle the experience.

What makes the advice especially useful now is that study abroad, while hardly new, is no longer a luxury. The experience has become a reality, if not a necessity, for those students who want to prepare for the unusual global challenges of the 21st century. Their parents may well be in the dark about what to expect, but they still have a crucial role to play.

"As a parent of a college or college-bound student," says William Hoffa, the author of NAFSA's "Study Abroad: A Parent's Guide," "you may find yourself in the role of helping your child think through the many questions and issues he or she will face in making this often life-changing decision. Though decisions about when, where and what to study overseas are usually made by the students themselves, there are many supporting roles for parents to play in helping their child decide whether to go, which program to choose and how to prepare for departure to assure a rewarding experience while abroad and then adjust to life back home."

Multiple options

Some of the topics covered in the book are:

- Timing: Study abroad used to mean commitment to a full year of learning. Now, short-term options abound, some as short as three weeks, says Mr. Hoffa. Students can find programs that match the amount of time they can afford to be away from their home campus. While the curricular strengths of study abroad programs are usually aimed at juniors and seniors, earlier participation may be indicated. The "Junior Year Abroad" model is the most popular, even today, yet students who study abroad in their sophomore or freshman years "often get a head start on some of the soul-searching and career planning that comes with overseas travel," says Mr. Hoffa.

- Fit: Students who need discipline, structure, guidance and encouragement should opt for a classroom-

centered program, Mr. Hoffa advises, with strong on-site staff and planned enrichment activities. Adventurous students who are prepared intellectually and have a good knowledge of the local language should aim toward a "direct-enrollment, full-immersion program" or an independent internship. Most students fall between these two extremes, and are best served by programs that provide both models.

- Duration: The longer the study-abroad program, the greater the intellectual and personal impact. Long-term, fully integrated programs are much more likely to provide students with the cross-cultural skills employers are seeking. "Long or short," says Mr. Hoffa, "the most important thing is that the program's goals be commensurate with the time allotted for their accomplishment. Parents are right to be suspicious of programs that seem to claim and promise too much, and they can play an important role in assisting their son or daughter in questioning such claims."

- Location: Europe is the most popular destination for students from the United States. But increasingly, there are compelling reasons for students and their parents to choose locations in non-Western regions. "Study in a culture that is dramatically different from that of the West can be especially eye-opening and rewarding for students," says Mr. Hoffa.

- Work-study: Most students abroad seek to fulfill academic goals; a smaller percentage hope to gain practical knowledge through diverse experiences. About 10,000 U.S. students annually participate in noncredit work overseas with emphasis on skills that will improve their career prospects. "With a little care and effort and a good deal of advance planning," says Mr. Hoffa, "it is almost always possible to identify study abroad programs that match a student's learning style and academic goals at an affordable price." M.M.

Study Abroad: A Parent's Guide. NAFSA Publications, \$14.95, plus \$3 shipping and handling, in the U.S. at tel. (800) 836-4994, or through NAFSA's Web site, www.nafsa.org.

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NORTH AMERICAN EXCHANGE PROGRAMS

FUELING GREAT ASPIRATIONS FOR A GLOBAL WORKFORCE

Students from Asia in particular are finding financial aid right now, thanks to programs like ASPIRE.

Educators known to disagree on just about everything seem to agree on one thing: International education alone might not fulfill the promise of globalization, but it cannot be achieved without it. Workers educated in the grammar of other cultures are the best placed to thrive in the modern world.

Nations are now interconnected as never before, business depends on world trade, and ideas flourish in a global marketplace. Foreign trade accounts for a quarter of the U.S. economy, and the share is rising.

Managers abroad

These messages are not lost on corporate leaders. More and more companies are requiring their managers to have first-hand foreign experience. Major corporations are hiring candidates with international experience in nearly a third of senior level searches, compared with less than 10 percent only five years ago. Since virtually every major U.S. corporation sends managers abroad, the candidate with international experience has an advantage over a stay-at-home rival.

It is ironic, then, that one of the first items to be cut from international budgets in the Asian countries hurt by the recent economic crisis was overseas education. The South Korean government has frozen money for education abroad until markets calm down and decisions about the future can be made.

Private South Korean placement agencies had to close their doors and cut their staffs.

Thailand's Office of the Civil Service Commission delayed sending new scholars abroad, and while the International Monetary Fund urged that education not be disturbed as a condition of its bailout plan for South Korea, Thailand and Indonesia, the first two have halted study abroad programs.

"Historically, things like this have happened," says Frederick Lockyear, president of International Advisory Services, a firm in Seattle that places international students in academic programs in the United States and Canada. "but in the past the crises have been political in nature. This one is economic. This isn't a government deciding that money can't leave to support students; this is the case of there being no money to send."

In Indonesia, Mr. Lockyear points out, the currency is worth half of what it was six months ago. "It's hard to justify educational expenses in such an atmosphere," he says.

Easing the expenses

The reverberations are being felt around the world of education, and perhaps nowhere more than in the United States. "We're hearing from universities that are anxious to receive foreign students," Mr. Lockyear adds. "Indeed, they have budgeted for their expected enrollment, and if

that enrollment does not arrive, they have budget shortfalls."

Facts and statistics are scarce. There are 458,000 foreign students currently in the United States. Fifty-seven percent of them come from Asia. A full 77,000 students come from the affected countries, attending 1,300 U.S. universities and making up 17 percent of the total foreign student population.

"That's a whole lot of people," says Susan Luchs, director of NAFSA's ASPIRE program. The program was set up to find jobs for foreign students in their own countries.

Anecdotal evidence has given rise to concern. In Tacoma, Washington, enrollment at an intensive-English program dropped from 120 to 80 students in its most recent term. At St. Michael's College in Vermont, administrators of international student programs expect a 50 percent downturn in enrollment. NAFSA has marshaled its forces to help these stranded students when it can.

"NAFSA realizes how important they are," says Ms. Luchs. At some universities, tuition is being reduced to help the students; at others, like Ohio University, students are allowed to defer payment or set up time-payment plans.

NAFSA has offered \$2 million in matching grants to multinational corporations that do business in the affected countries to help the students. The association is

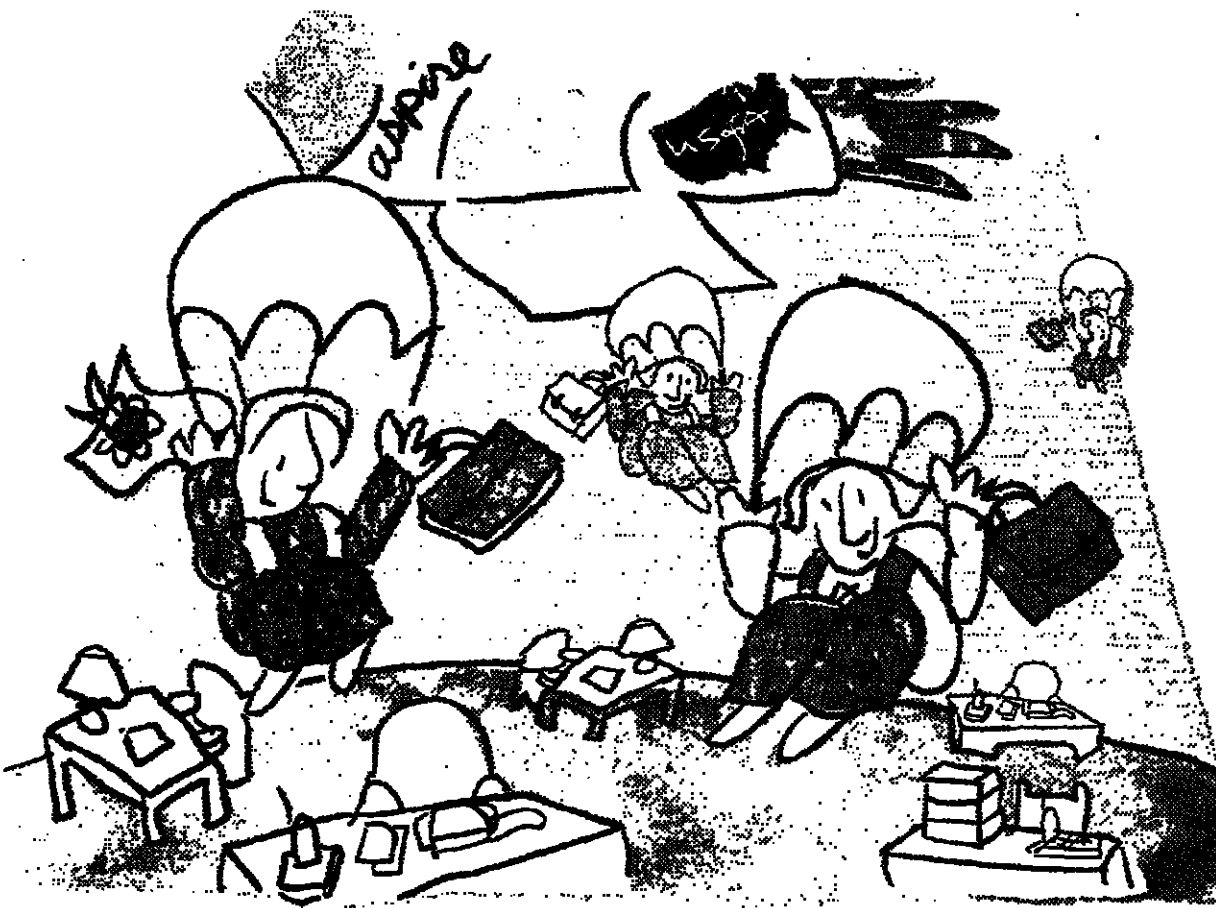
also acting as a clearinghouse for information from schools reporting on how their foreign students are being affected and how they are creating innovative ways to help them out.

Reversing the brain drain NAFSA's ASEAN Student Assistance Awards Program (ASAAP), cosponsored by NAFSA and the U.S.-ASEAN Business Council, with assistance from the United States Information Agency, has established a national-grants competition for all accredited four-year academic institutions in the United States currently enrolling students from Malaysia, Indonesia, the Philippines and Thailand, the four ASEAN countries most affected by the Asian economic crisis.

Funds from the U.S.-ASEAN Business Council enable NAFSA to provide supplementary grants, ranging from \$2,000 to \$5,000, to help students from these four countries who otherwise would be unable to continue their studies in the academic year 1998-1999.

"It is to our benefit to have these students stay in the United States," says Ms. Luchs. "But their home governments are telling them, 'We can't help you with this.'"

Ms. Luchs runs ASPIRE, a nonprofit arm of NAFSA that works to reverse the "brain drain" of Asian students who have studied in the United States by finding the



Landing a top job is easier for those with experience abroad.

students jobs to return to in their own home countries.

ASPIRE uses job fairs, newsletters, a large database and an effective network of former students. The association also uses its Web site to announce job offers (reaching up to 70,000 Asian students in the United States directly by e-mail) and sends students' resumes directly to

participating companies.

"Human resources are still in demand, despite the downturn in Asia," Ms. Luchs says. "We have gone from where students needed ASPIRE to where companies need it. Now there is a temporary slowdown, because of the Asian crisis, but there are still jobs, and home will always be home." M.M.

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"No one who has lived through the second half of the 20th century could possibly be blind to the enormous impact of exchange programs on the future of countries," says Mr. Clinton, a former Rhodes Scholar at Oxford University.

Says John Richardson, former assistant secretary of state and former chairman of the National Endowment for Democracy: "Carefully planned and organized exchange programs have been and are the most efficient device available in the struggle for a better world."

Diverse range NAFSA facilitates these important exchanges through 2,000 institutional members, who help to recruit and place 1.2 million students every year.

The members come from a diverse range of organizations, including the African American Institute, the Alvin Ailey American Dance Theater, the American Museum of Natural History, Harvard University, Keio University in Japan, Shell Oil and the Woods Hole Oceanographic Institute.

"International education—teaching and learning

about other countries, their citizens and their languages—just how important is it to our country?" asks Thomas H. Kean, former governor of New Jersey. "As important as economic prosperity, national security and world stability."

NAFSA's members come from every state in the United States and more than 60 countries, representing more than 2,000 colleges and universities. Of the 105 institutions in the United States

enrolling more than 1,000 international students, 103 belong to NAFSA.

"Being at Oxford," says former U.S. Senator Bill Bradley, who was a Rhodes Scholar, "gave me a new frame of reference for understanding the world and my role in it." M.M.

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World Roundup

Magnusson Takes 9th Stage of Giro

CYCLING Glenn Magnusson of Sweden edged Mario Cipollini and Silvio Martinello of Italy in a photo finish Monday to capture the ninth stage of the Tour of Italy.

The Swiss rider Alex Zülle retained the overall lead, five seconds ahead of Michele Baroni and 50 seconds better than Luc Leblanc. All three finished in the main group.

Cipollini had won three of the previous four legs of the race but was hemmed in down the stretch and could not overtake Magnusson despite a strong final push.

"I threw away a good chance," Cipollini said. "I didn't have enough space to break through and show my best. You can't win every time."

Magnusson claimed his third career Tour stage victory, covering the 167 kilometers (103.5 miles) from Foggia to Vasto up Italy's eastern coast in 3 hours, 55 minutes, 43 seconds. (AP)

Montgomerie Triumphs

GOLF Colin Montgomerie made a 10-foot birdie putt on the final hole Monday to secure a one-shot victory in the Volvo PGA Championship in Virginia Water, England.

Montgomerie, the European PGA's top money-winner for five straight seasons, shot a final round 69 to win the prestigious event for the first time with a four-round total of 274, 14 under par.

Montgomerie held a one-shot lead going into the final round but fell behind on the back nine as Gary Orr, Dean Robertson, Ernie Els and Patrick Sjolund held the lead at various times.

A four-man playoff with Els, Orr and Sjolund loomed after Montgomerie hit a poor tee shot on the 18th. But he hit his third shot to within 10 feet and rolled in the putt for the victory.

Finishing one stroke back were Sjolund, Els and Orr. The Swede shot a final-round 66, while Els and Orr both had 68s. (AP)

Doping Inquiry for Smith

SWIMMING A second urine sample provided by the Irish swimmer Michelle Smith, who won three gold medals at the 1996 Olympics, showed the same signs of tampering as a first specimen, the sport's governing body confirmed Monday.

"The result of the analysis of the B sample confirms that of the A sample," the international swimming federation, FINA, said. "These results indicate suspicion of physical manipulation of the sample."

FINA said the case would be forwarded to its doping panel for investigation. Under FINA rules, Smith could be banned from the sport for life for manipulating a drug test. Smith has denied tampering with her test. (AP)

First Hurdle Cleared By Rios and Sampras

But, as 3 of Top 9 Men's Seeds Bow, Britons Can Only Think 'Wimbledon'

By Christopher Clarey
International Herald Tribune

PARIS — The good news for Chilean fans after the first day at Stade Roland Garros was that Marcelo Rios still is the favorite to win his first French Open.

The good news for American fans was that Pete Sampras still has a chance to win his first.

The good news for British fans was that Wimbledon begins in less than a month.

It was a day without exclamation points. True, three of the top nine men's seeds lost, but the term "upset" is a relative term when there is Paris clay beneath one's sneakers and tournament directors choose to respect the computer rankings instead of making judgment calls.

Anyone who has watched Greg Rusedski, the No. 5 seed from Britain, struggle through this clay court season could not have been flabbergasted to see him lose, 6-4, 6-4, 6-4, to an angular Belgian named Johan Van Herck.

Nor could anyone who has recently observed Jonas Bjorkman, the No. 7 seed from Sweden, have been stunned by his 6-3, 6-3, 6-3 loss to Thomas Muster, a former French Open champion. The only mild surprise was No. 9 Karol Kucera's four-set loss to Todd Woodbridge of Australia.

Kucera has the weapons to make a run at the title here one day, but at least he had a fine excuse for losing the last three sets: painful foot blisters.

There was no shortage of excuses Monday at the most grueling of the four Grand Slam events. Daniel Nestor de-

faulted in the second set against Vince Spadea with a strained stomach muscle. Martin Damm did the same against Jamie Delgado because of a right shoulder problem, and then there was Britain's other star and only native son, Tim Henman, no clay court miracle-worker himself, who lasted less than a set against Sargis Sargsian of Armenia before withdrawing with a stiff back.

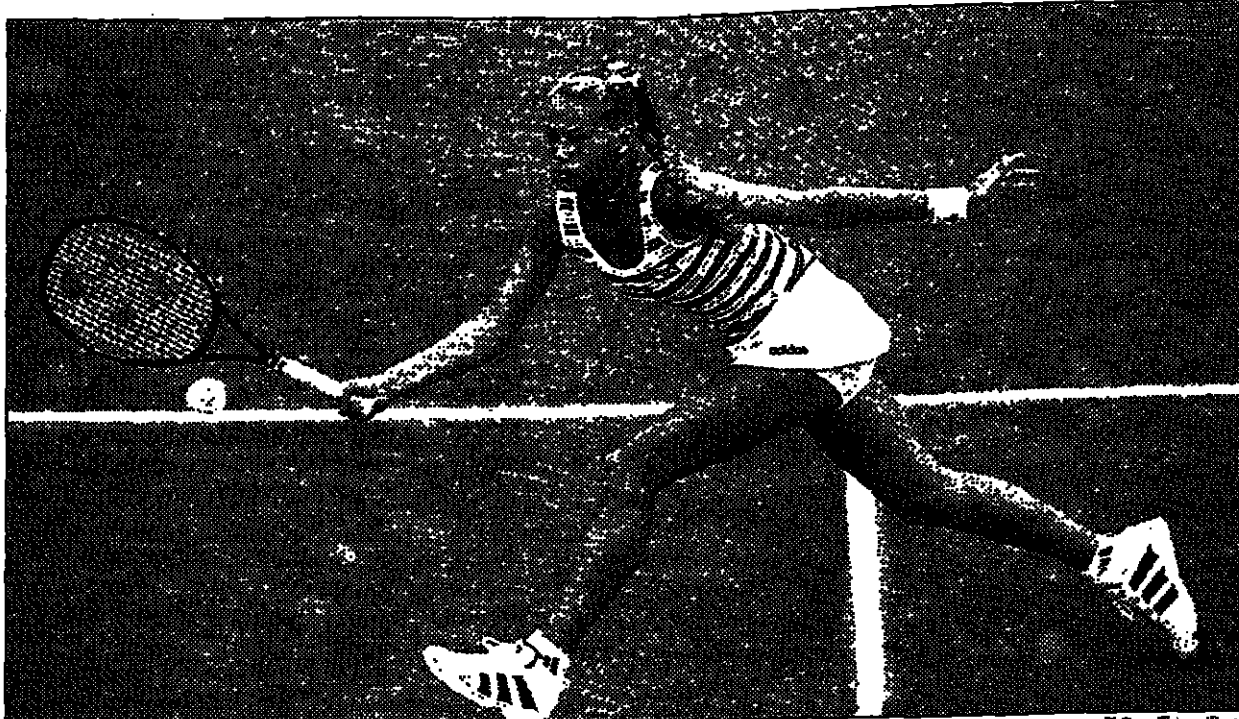
"I'm going to play Nottingham for sure now," said Rusedski, a fellow who likes his glass half full instead of half empty. "I think on grass and clay it's fair to say that sometimes you might need different ranking systems."

Sampras, the world's number one player for most of the last six seasons, would not be on top of any clay court pecking order, but the first leg of his annual pilgrimage to hostile territory went smoothly against his countryman Todd Martin, who pushed him to five sets on the same court in 1996 and won a clay court event in Barcelona this season. The match was billed as a potential upset (a real one), but as the French like to say, the mountain gave birth to a mouse.

Though Sampras struggled on his opening service games, he soon found his rhythm. He was not at his winner-ripping, crowd-wooling best, but he was more than good enough to defeat Martin, 6-4, 6-3, 6-3.

In the next round, Sampras will face the 98th-ranked Delgado, who hails from Paraguay. The path leading to Sampras's first French Open title should get much bumpier in a hurry with Andre Gaudenzi of Italy, Fabrice Santoro of France and Felix Mantilla of Spain lurking in his eighth of the draw.

"Not only this year but every year I play to win this tournament one time."



Anna Kournikova of Russia reaching to hit a forehand in her victory Monday over Amelie Mauresmo of France.

Sampras said. "I feel like I can. I feel like I've beaten some players in the past that have won here."

Martin likes Sampras but he doesn't like his chances. "I think there's a lot of guys on this surface who can give him a definite run for his money," Martin said.

"I'm sure he'll stumble upon those."

The only thing that appears capable of slowing Rios down is the tendinitis in his left elbow that caused him to miss a month of competition after he briefly assumed the number one ranking.

He beat Brett Steven of New Zealand in four uneven sets on Monday but had treatment on the elbow.

"It's much better, but every time I play long matches, it's getting really sore," he said. "I just put some cream on it to not have pain."

Venus Williams, the statuesque 17-year-old American who would be queen, was feeling no pain in her opening match against Tamarine Tanusugarn of Thailand and getting more cheers for doing a complete split while chasing down a ball in a routine 6-3, 6-1 victory.

If you believe Williams, it is only the first victory of many for her and her sister Serena at Roland Garros.

"I think everyone here understands how we feel about being on different sides of the draw," she said. "We believe that we both can be in the final."

Two women who won't be in the final are the No. 9 seed Irina Spirica and No. 16 Lisa Raymond. Spirica, a fine clay court player when she is in the mood, lost 6-2, 6-4, to Sylvia Plischke, an 88th-ranked Austrian. Raymond was beaten by Tatjana Panova, an 89th-ranked Russian.

All in all, it was an unforgettable day for the "ovas" at Roland Garros. Other winners included Karina Habudova, Anna Smashnova, Elena Tatarkova, Kvetoslava Hrdlickova, Katarina Stadenikova and the most telegenic of them all, Anna Kournikova, the 16-year-old Russian who won, 6-2, 6-4, over Amelie Mauresmo of France.

Mauresmo was a surprise finalist in Berlin earlier this month, but Monday she looked overwhelmed by the moment as she played in front of a large

gallery of her fellow citizens. The French will have plenty more of their own left to root for on the second day in Paris. Their friends from across the Channel will have to wait for the grass court season.

Tuesday's Top Matches

Nicolas Pietrangeli vs. Tommy Haas
Only one of Germany's post-Becker poster boys gets to the second round.

Andre Agassi vs. Marat Safin
Agassi beat the rising Russian teenager in Davis Cup with ease, but Safin rolled through qualifying here and likes clay. Why shouldn't he? He lives in Spain.

Amelie Mauresmo (5) vs. Patty Schnyder
Cotezter, the little engine that could, has been having trouble climbing mountains lately. Schnyder is the Swiss in top 20 who was not named for Navratilova.



The Giants' Barry Bonds admiring the arc of his game-tying, ninth-inning homer.

Despite McGwire, Giants Beat Cards in Marathon

The Associated Press

The San Francisco Giants had already watched Mark McGwire wreck them once. They weren't about to let it happen again.

After McGwire hit a tying home run in the 12th inning, the Giants intentionally walked him with two outs and none on in the 14th. San Francisco went on to stop St. Louis, 9-6, in 17 innings on Sunday, the longest game in the majors this season.

Barry Bonds hit a two-out, two-run homer in the Giants ninth that tied it at 4. Then Jeff Kent put San Francisco ahead, 6-4, with a two-run homer in the 12th. But McGwire tied it with two outs when he hit his major league-leading 24th homer off Robb Nen.

The visiting Giants took advantage of a two-base throwing error by Kent Mercker (3-3) in the 17th. The game lasted for five hours, 45 minutes.

Mets 6, Brewers 3 Brian McRae hit a go-ahead, three-run double and Carlos Baerga clubbed a two-run homer to lift the Mets in New York. Mike Piazza, in his second game for the Mets, went 1-for-5.

Expos 5, Phillies 4 In Montreal, Tyler Green lost his bid for a perfect game in the seventh inning, and Philadelphia lost on Robert Perez's sacrifice fly in the eighth.

Diamondbacks 5, Dodgers 3 David Dellucci homered to give host Arizona its first lead of the three-game series, and the Diamondbacks held on to beat Los Angeles.

Astros 5, Padres 2 Bill Spiers scored from first on a long single by Moises Alou and added a two-run triple, leading Houston over visiting San Diego.

Yankees 14, Red Sox 4 The Yankees gave David Cone more support than he's used to, batting around twice against the AL's leading pitching staff and routing Boston in New York.

Tigers 6, White Sox 4 In Chicago, Damon Easley and Tony Clark each homered to lead Detroit to its ninth victory in 12 games.

Royals 5, Rangers 3 Jermaine Dye drove in three runs and visiting Kansas City stopped an eight-game losing streak.

Orioles 2, Athletics 1 In Oakland, Harold Baines doubled in the go-ahead run in the ninth as Baltimore won consecutive games for only the second time this month.

Mariners 3, Devil Rays 1 In Seattle, Randy Johnson matched a season-high with 15 strikeouts and Ken Griffey Jr. hit his 18th homer.

Twins 9, Angels 1 In Anaheim, Pat

Meares had three hits, drove in three runs and scored three times, leading Minnesota past the Angels.

Reported in late editions Monday:
Blue Jays 5, Indians 0 Woody Williams allowed four hits in seven scoreless innings after flirting with a no-hitter in his previous start, and Dwight Gooden lasted only three innings in his Cleveland debut.

Rockies 3, Reds 1 In Cincinnati, Vinny Castilla hit a tiebreaking, two-run single in the sixth inning, setting up the Reds' seventh loss in nine games.

Braves 2, Cubs 1 In Atlanta, Tom Glavine pitched a three-hitter and Michael Tucker singled home the winning run in the ninth off Terry Adams (2-3).

Martins 4, Pirates 3 Cliff Floyd hit a two-run double in the eighth inning off Jason Christiansen (0-1) as host Florida rallied from a 3-0 deficit.

SCOREBOARD

BASKETBALL

NBA PLAYOFFS

WESTERN CONFERENCE FINAL

BEST-OF-7

Utah 20, Los Angeles 18
Utah won series 4-0.

BASEBALL

MAJOR LEAGUE STANDINGS

AMERICAN LEAGUE
EAST DIVISION
New York 33, Boston 28, Tampa Bay 22, Baltimore 22, Cleveland 17, Minnesota 17, Detroit 17, Chicago 17, Kansas City 17.

CENTRAL DIVISION
Cleveland 21, Detroit 21, Chicago 19, Minnesota 19, Kansas City 17, St. Louis 17, Tampa Bay 17, Baltimore 17.

WEST DIVISION
San Diego 31, Los Angeles 25, Anaheim 22, Seattle 22, Oakland 20, Houston 17, Texas 17, Arizona 17, Colorado 17.

NATIONAL LEAGUE
EAST DIVISION
Atlanta 36, New York 33, Philadelphia 22, Montreal 22, Florida 17, St. Louis 17, Cincinnati 17, Pittsburgh 17, San Francisco 17.

CENTRAL DIVISION
Houston 31, St. Louis 25, Chicago 22, Milwaukee 22, Pittsburgh 22, Cincinnati 22, Philadelphia 22, New York 22, San Francisco 17.

WEST DIVISION
San Diego 31, Los Angeles 25, Anaheim 22, Seattle 22, Oakland 20, Houston 17, Texas 17, Arizona 17, Colorado 17.

SUNDAY RESULTS
Toronto 5, Cleveland 9, N.Y. Yankees 14, Seattle 4, Detroit 8, Chicago White Sox 4, Kansas City 6, Texas 3.

ICE HOCKEY

NHL PLAYOFFS

WESTERN CONFERENCE FINAL

BEST-OF-7

Detroit 4, Dallas 3
First Period: None. Second Period: D-Kozlov 4 (Lapointe, Lidstrom) (opt.), D-Lapointe 6 (Wozniak, Rost) (opt.). Third Period: None. Shots on goal: D-74-10-22, D-64-14-14, Dallas: D-Osgood, D-Bellor.

CRICKET

INDIA VS. BANGLADESH

TRIANGULAR SERIES
Bangladesh 113 off in 34.3 overs. India won by the wickets.

GYRO CYCLING

GIRO D'ITALIA

Leading positions Monday in 9th stage, 167 kilometers (103.5 miles), from Foggia to Vasto:

1. Glenn Magnusson, Sweden, Amore e Vita, 3 hours, 55 minutes, 43 seconds.

2. Silvio Martinello, Italy, Team Patti, s.t.

3. Mario Cipollini, Italy, Saeco, s.t.

4. Zdenek Stepan, Czech Republic, s.t.

5. Fabio Fontana, Italy, Mercatone Uno, s.t.

6. Enrico Leoni, Italy, Ballan, s.t.

7. Gert Van Bondt, Belgium, s.t.

8. Michele Baroni, Italy, s.t.

9. Alessandro Petacchi, Italy, Scorpioni, s.t.

10. Mariano Piccoli, Italy, Brescialotti, s.t.

11. Alex Zülle, Switzerland, Festina, 43 hours, 37 min., 42 sec., 2. Barbi, 45 sec., 2. Luc Leblanc, France, Team Patti, 45 sec., 2. Pavel Tonkin, Russia, Neptun, 56 sec., 2. Paolo Savini, Italy, Saeco, 57 sec., 2. Marco Pantani, Italy, Mercatone Uno, 1:06 sec., 2. Nicola Alibek, Italy, Riso Scotti, 1:03 sec., 2. Ivan Gotti, Italy, Saeco, 1:04 sec., 2. Dario Frigo, Italy, Saeco, 1:10 sec., 2. Enrico Zaina, Italy, Brescialotti, 1:08 sec.

SOCCER

FEDERATION INTERNATIONALE

CHILE 2, Uruguay 2

United States 2, Kuwait 0

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ART BUCHWALD

'My Fellow Graduates'

WASHINGTON — Every year I have to change my graduation speech, depending on conditions in the country.

My fellow graduates, the class of 1998 may be the luckiest one that ever graduated. Unemployment is down, the stock market is up, sunglasses are cheap and all you have to do is wear them, or Alan Greenspan raising interest rates. For the first time in history, the college student is truly in demand. No matter what you studied in school, the headhunters want you.



Buchwald

Hang tough when the job recruiters make a house call. Tell them that you wish to start at the same salary they pay Michael Jordan, plus whatever Nike will pay you to wear their sneakers. You will be respected for wanting to

Here, Have a Shot

SALT LAKE CITY, Utah — The columnist Dave Barry kept everyone in stitches at the Physician Assistants Conference here with a lecture on "Medical Care: Is It Really Necessary?" He decided it is not. In his address, Barry was particularly tough on tetanus shots, which he claimed to have received almost daily since the age of 9.

Long spells in the waiting room also provoked his ire. "If you have to wait more than 30 minutes, you should have the right to give the doctor a shot," he told the assembled 4,000 doctors' assistants.

begin at the top, and, besides, what choice do the recruiters have when it is so empty in the executive suite?

Once you take a job that appeals to you, buy a Porsche or a Mercedes to make a statement to your family, who never thought you would make it in the real world. If you can't afford a brand-new car, ask your parents to buy you one. After all, they paid \$40,000 a year to put you through school, there is no reason they can't fork over another 40 as a graduation present.

Now I know what's on all your minds. What should you do about Monica Lewinsky? The answer is, don't do anything about Monica until Ken Starr decides whether or not he is going to give her a job.

As for the president, you must not judge him on his private life, as long as gasoline is a dollar a gallon.

You are the first generation who has access to Viagra. Like all drugs, it is good unless you take too much in a 24-hour period. An overdose could give you an acid stomach or an Excedrin headache.

As you go out into the world, think of the little people Bill Gates, for example, who is being beaten up by the Justice Department. According to Mr. Gates, your lives hang by a thread if he can't install his Internet browser on your computer. Trust him — he would never lie to you.

I know everyone in this class may not become president of Walt Disney or Victoria's Secret, but if you follow the yellow brick road you will find the happiness and success you so richly deserve — provided you buckle your seat belt, floss your teeth and cook your hamburgers at more than 150 degrees.

A Golden Ray in Theo Angelopoulos's Winter

By Joan Dupont
International Herald Tribune

CANNES — At breakfast, on the morning the Palme d'Or was to be awarded here, Theo Angelopoulos was choked with emotion, afraid that the big prize would once again elude him. But the vote was unanimous, the Palm went to "Eternity and a Day" (Mia Bouliotis Ke Mia Meri), the director's 11th film.

Pale and shaking, he thanked the president of the jury, Martin Scorsese, saying, "I'm really very touched." Yet even as he spoke, he was upstaged by Roberto Benigni, whose "La Vita e Bella" won the Grand Prix and who captivated the audience by flinging himself at Scorsese's feet.

Angelopoulos, 63, is not an expansive man, and his film, about an old man running out of time, was not a crowd pleaser.

"I belong to a generation slowly coming to the end of our careers," he said later.

CANNES FILM FESTIVAL

"This time, I tried not to be too melancholic, but it sticks with me." Famous for his sagas of upheaval in the Balkans, a Greece without sun, the director, often lionized in Venice, has long been frustrated out of Cannes' Golden Palm.

The two-hour and 10-minute film, one of his shortest, is set in rainy Thessalonika. "I always shoot in winter," he said. "The sea, water, mist — I can't resist them. That's the way I project my inner landscape."

The jury's decision was a vote for European cinema. "Eternity" is a Greek-French-Italian co-production, starring a Swiss-Italian, Bruno Ganz; the French actress Isabelle Renauld, and a 9-year-old Greek-Albanian boy, Achilles Skievis.

The director, who has cast Harvey Keitel, Marcello Mastroianni and Jeanne Moreau in previous films, actually wrote the script for Mastroianni. "I told him the story and he said, 'I'm ready if you want me,' but he was clearly dying," Angelopoulos said. "Then I saw Bruno Ganz wearing a black Armani raincoat in the hall of a hotel, just as he does in the film, and thought he was right."

Ganz plays Alexander, a famous poet in exile from his own life, forever crossing borders, a man who has missed out on his family. "I kept seeing myself in the role of the poet," Angelopoulos said. "After two weeks, we stopped shooting because I had to

sublimate my identification before we could work together."

In the film, the actor has a graying beard (which hides the fact that he is dubbed) and stays the same age in all the scenes. "I think that we live in the past and the present at once," Angelopoulos said. "I mix scenes within scenes, not in the classic way. There are flashbacks and flashforwards of Alexander's fears and projections."

Renauld, who plays Alexander's neglected wife, was chosen "because she looks so much like Phoebe, my wife." And the 9-year-old "walked into my office one day with his father," Angelopoulos said. "He had crossed the Albanian border by himself, and I use some of his story."

"There's always a boy in my movies, a child who discovers, the way I discover in each film," Angelopoulos said. "My wife says that she has three girls who are growing up and one boy who will never grow up. That's me."

The director was raised in Athens; his mother came from Crete and his father from the Peloponnese. "We are island people," he said. "We always lived surrounded by the sea."

The character Alexander lives in a house overlooking the sea, and he has one day left before entering the hospital to face the end; he leaves by car with his dog. His daughter says she can't keep the dog for him, and her husband announces that they have sold his house. Stopped at a red light, he watches the police pursue a bunch of child window-wipers, when suddenly, he opens the door to let a boy in.

"The kids who wipe windows are run by the mafia," the director explained. "There's the Greek mafia and the Albanian mafia, those who buy and sell kids, even the parents are paid."

Determined to take the child "home" to Albania, Alexander drives through the mountain pass. "The border we show in the movie is unreal, a dream," Gates open-silently, children are suspended in mid-air, stuck like frozen birds on barbed wire fences; the boy recoils, and Alexander drives back to Thessalonika.

"I'm for the abolition of borders," Angelopoulos said. "In the Balkans, the language was Greek, then Latin under the Empire. There was always freedom of movement, huge families immigrated to Magna Graecia; then in the 12th century, there was immigration back toward Greece."



Theo Angelopoulos, left, with his Golden Palm for "Eternity," and Roberto Benigni thanking Martin Scorsese for his Grand Prix for "La Vita e Bella."

"Thessalonika was the most cosmopolitan city in Greece," he continued. "60 percent a Jewish city before the war, with architecture of every style — Armenian, Turkish, Greek neoclassical and Central European. Most of those houses were torn down. The house we shot in is an Italian consulate. Before, it was Austrian; earlier, it belonged to NATO. These houses, set in the city, looking on the sea, once related to nature, but the cities have become monsters, and nature has disappeared. We've lost our vital relationship to nature."

Between the monstrous city, where the immigrant boys are exploited, the sordid wasteland, where they are clandestinely put up for adoption, and the homeland of no return, the child keeps coming back to Alexander, who cannot keep him.

"Finally the boy goes back to something open-ended," Angelopoulos said. "I try to show there's hope, that life is not just what you read in the newspapers — you can't tell a child that he's condemned."

The movie ends, if not happily, on a magical bus ride, where Alexander and the boy are joined by a cast of characters — a rev-

olutionary bearing a red flag who promptly falls asleep, lovers, a poet and musicians who play for him. "The bus seems to be suspended in time and the child discovers the best things in life during this last voyage."

The director, a man of dark moods, said he feels isolated, "not by choice, but I'm a Greek director at a difficult moment in Greek cinema." He added, "Taxi drivers recognize me and don't make me pay, but if I ask if they've seen my movies — they haven't."

He has friends, allies and affinities abroad in Antonioni, Kurosawa, Oliveira and Bergman, and is proud of his good relations with actors like Keitel, who starred in his 1995 "Ulysses' Gaze."

"Harvey is a method actor, so it wasn't easy for me," Angelopoulos said. "But his mother had died when he was 4, in Romania, and we shot there; he was moved to discover Europe. In my previous film, 'The Suspended Step of the Stork,' Mastroianni says, 'We crossed the border, and we're still here; how many borders do we have to cross before we get home?' Where is home, the place where we're at peace?"

PEOPLE

CATHAY Pacific Airways of Hong Kong has imposed a lifetime ban on the British rock singer Liam Gallagher and his band, Oasis, because of their behavior on a flight to Australia in February, an airline spokesman said. The band members have been declared persona non grata by the airline after passengers on a flight from Hong Kong to Perth complained about their unruly behavior. Gallagher and his entourage were reported to be drunk, smoking, swearing and abusing other passengers.

Sean Lennon, the son of John Lennon and Yoko Ono, said in an interview cited Monday by The Times of London that he missed his father even though he considered him a "macho pig." The full interview will be published in Rolling Stone magazine in July. "He was a macho pig in lots of ways, and he knew it," Lennon, 22, was quoted as saying of his father, who was shot and killed in 1980. "My dad had definitely a violent temper," he added. All the same, Lennon said: "I miss my dad. I don't miss the Beatle. I miss the guy who put me on his shoulders and we walked on the beach together. I miss him every day."

In Hong Kong, a museum devoted to the legendary martial-arts film star Bruce Lee is expected to open in July. Located at a shopping mall in the Tsim Sha Tsui district, the museum will house more than 10,000 items of memorabilia. Lee was 32

when he died of brain swelling while filming a movie in Hong Kong in 1973.

The actor Charlie Sheen checked himself back into a drug rehabilitation center after being hospitalized last week for a drug overdose. In a statement, Sheen, 32, said, "I get bored

Eyes on Cameron's Sketches

NEW YORK — The director James Cameron's artistic claims could be a little sketchy. In the movie "Titanic," Leonardo DiCaprio's character shows a sketchbook full of charcoal drawings to Kate Winslet's character. Cameron has said the drawings were his.

But New York magazine reports that three sketches strongly resemble famous photographs: Sally Mann's "Rodney Plogger at 6:01," Alfred Stieglitz's "Georgia O'Keeffe, Hands, 1920," and Brassai's "Bijou" of Montmartre.

That raises the question of copyright infringement, the magazine said, because none of the artists or their estates granted permission for their work to be used. Lawsuits could be in the works.

easily and I'm bored with what I've been doing and it's time for a change." But a day later, Sheen walked out of the center. A doctor alerted the authorities that Sheen needed supervision because he was taking prescription medication, and he was picked up by the police and taken to another hospital for observation, the authorities said.

A Broadway producer is considering a musical based on the life and music of Frank Sinatra, the New York Post reported. "I am not looking for a Sinatra impersonator to play the lead," Stewart Lane said. "I'd like to get someone to capture Sinatra's magnetism. They don't have to sound and look exactly like him." Lane, who co-produced "1776" and "Wait Until Dark," said that while he would ask for the family's blessing on a story about the singer's life, he would proceed if they did not approve.

One of the Chinese dissidents who helped lead the student protests around Tiananmen Square in 1989 has a new challenge on the horizon. "I'm going to Harvard," Wang Dan said through an interpreter. He did not indicate what he will study. After six and a half years in prison, Wang, 29, was freed in April on medical parole on the condition that he leave China. Wang said he hopes his studies can serve as training in the fight for democracy in China. "I love my country very much," he said. "All I learn and all I do is for China."



Liam Gallagher and Oasis have been banned.



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